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3 November 1989

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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Hong Kong

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General

Article Views U.S.-Soviet Arms Control Talks

HK0211113089 Beijing RENMIN RIBAO in Chinese
20 Oct 89 p 7

[Article by Zhou Aiqun (0719 1947 5028): "New Breakthrough in Soviet-U.S. Arms Control Talks"]

[Text] The 12th round of Soviet-U.S. Nuclear and Space Arms Control Talks (ACT) in Geneva began on 29 September. This round of ACT drew the world's special attention because, just before the ACT, which had been deadlocked for over a year, signs of new breakthrough were evident.

On 21 September 1989, Soviet Foreign Minister Eduard Shevardnadze handed Gorbachev's lengthy letter to President Bush in the White House and held a 2-day meeting with U.S. Secretary of State James Baker. Thereafter, he announced that although negotiations for a Soviet-U.S. space weapons agreement are yet to be completed, the USSR is ready to sign a treaty with the United States on cutting strategic weapons. This was received internationally as an indication that the USSR has given up the stance of linking the reduction of strategic weapons directly to the space weapons ban. This is a big concession on the part of the USSR. The USSR is also willing to negotiate for a single separate agreement on limiting sea-borne cruise missiles and promises to unilaterally dismantle the controversial Krasnoyarsk radar installation. The softened Soviet attitude is considered due to many factors.

In March 1985 when the strategic, medium-range, and space ACT began, the USSR maintained that these three kinds of weapons should be lumped together to seek a single solution. The intention was to use strategic and medium-range weapons to put pressure on the United States to abandon the SDI [Strategic Defense Initiative]. The USSR then insisted that cutting strategic weapons must be coupled with restricting space arms so that agreeing to restrict space weapons should be considered a prerequisite for reducing strategic weapons. However, recent international developments and changes in Soviet internal politics has forced the USSR to vacillate between "linking" and "unlinking" several times in the past. During the Soviet-U.S. Iceland Summit, both sides had come to the point of cutting 50 percent of strategic weapons; but because of the impasse of linking that to space arms, the efforts were fruitless and agreement was not achieved. At the end of 1987, the USSR reached agreement with the United States on medium-range weapons, freeing these weapons from the "linking." In order to gain impetus to push the act forward, Gorbachev told American correspondents in 1987, before he left for the U.S. Summit, that "SDI will not be on the agenda so long as the United States observes the Anti-Ballistic Missile Treaty [ABMT]." He has thus shown flexible tactics towards the "linking" argument. However, at the 1988 Moscow Summit, the USSR retreated

to a rigid stance by saying that a strict observance of the ABMT should be a prerequisite for reaching agreement on 50 percent strategic arms cuts. Thereafter, the USSR has not yielded on the "linking".

Observers held that, in the year since the Moscow Summit, the USSR has been able to give up the "linking" principle, or U-turned, to everyone's surprise and this must have been based on their short-term as well as long-term considerations.

From a military viewpoint, the nuclear weapons held by the USSR and the United States together constitute 97 percent of the world's total and even if they cut half of these weapons, the two countries still possess over 90 percent of the total. Development of nuclear technology eventually renders a large portion of nuclear weapons obsolete, which means they can be scrapped so that military budgets can be spent on more advanced projects, increasing competitive power in the high-tech arena. Furthermore, SDI, having been strongly opposed by the USSR, has now been revamped to be smaller in scope and slower in speed. Space deployment will obviously be delayed. Even though the weapons are to be deployed sometime in the future, the reliability of SDI is still a question of debate. The USSR is also committed to its own version of Star Wars, probably as sophisticated as SDI. Therefore, under present circumstances, unlinking strategic weapon talks from a space weapons ban will not result in a threat to the safety of the USSR.

On the other hand, since President Bush assumed office, the United States has taken a careful approach to the USSR and no significant change has been seen in the relations between the two countries. In arms control, President Bush seems to pay more attention to European conventional weapons, rather than getting a strategic weapons agreement. In this regard the USSR is obviously worried. ACT is a key in Soviet-U.S. relations and reduction of strategic weapons has been the focal point of ACT. Notwithstanding the importance of cutting European conventional weapons, talks on strategic weapons have been directly affecting Soviet-U.S. diplomacy. The USSR may view the cutting of strategic weapons as the only means of enhancing bilateral relations and maintaining thrust toward easing tensions. Hence, the USSR would make a bigger concession to demonstrate determination and sincerity in improving Soviet-U.S. relations and to see an East-West thaw, or at least to keep the same warm Soviet-U.S. relations of Reagan's time. The concession was also purposely made to create a relatively peaceful climate internationally to facilitate internal reforms.

Furthermore, the internal situation in the Soviet Union and forces are emerging resisting the reform. Apparently, the Soviet leader made this concession to score diplomatic success to compensate for poor performance of his economic reform improving his domestic situation.

Critics worldwide hold that the Soviet initiative will positively help the superpowers long-drawn-out ACT.

Although the Soviet concession contains some reservations and differences between the two sides remain, after 11 rounds of talks, a foundation for the treaty aimed at cutting strategic weapons by 50 percent has been laid. The two sides will get even closer in the 12th round of ACT. Assuming no major snags occur in the negotiations, further bargaining should create a good opportunity for reaching a Soviet-U.S. agreement next year.

Commentary Views Bush-Ortega Encounter

HK0311091589 Beijing RENMIN RIBAO in Chinese
31 October 89 p 3

[Commentary by staff reporter Zhang Qixin: (1728 0796 2500)]

[Text] Washington, 28 Oct—On 27 and 28 October, President Bush, at the invitation of President of Costa Rica Arias, went to San Jose to attend celebration activities marking the 100th anniversary of the practice of democracy in Costa Rica. Invited at the same time were 15 American heads of state, including President of Nicaragua Ortega. This gathering of 17 heads of state of the Western Hemisphere had been the focus of attention. First, it was the first time in 20-odd years since the gathering of the heads of 20 American states in Uruguay in 1967 that so many leaders had come together and discussed major international issues like democracy, development, foreign debt, disarmament, fighting drugs, and so forth in the form of conversation. Second, given great disharmony in the relations between the United States and Nicaragua, Bush and Ortega attending the gathering at the same time and their meeting each other on the same occasion would undoubtedly provide a good opportunity for contact between the leaders of the United States and Nicaragua. Therefore, people here and Latin American media had focused their attention on whether Bush and Ortega would take advantage of this opportunity to have a face-to-face talk and stimulate the improvement of the two relations between the two countries.

But the San Jose meeting had posed a difficult problem to U.S. diplomacy. On the one hand, the U.S. authorities hoped to establish the "relations of new partners" with Latin American countries and hold top-level meetings on the problems of the Western Hemisphere. On the other hand, it clung to the stand of not having official contacts with Nicaragua, thus throwing itself into an embarrassed diplomatic position. Things in recent days showed that on the problem of relations between the United States and Nicaragua, two different attitudes had appeared. Nicaragua displayed a flexible attitude. Relevant people in Nicaragua first said that Ortega would be willing to talk with Bush. But they also did not insist on Bush attending talks. During the period of the San Jose gathering, Ortega, meeting with Bush before the opening ceremony, took the initiative to shake hands and have a brief talk with Bush. He told Bush that he hoped that the

United States would support electoral progress in Nicaragua. But the United States shrank from official contacts between the United States and Nicaragua and took an inflexible attitude. In a press conference before the trip, Bush had once and again reiterated that he would not hold any official meeting alone with Ortega. White House quarters even used technical factors as an excuse for their unwillingness to provide press circles with a joint photo taken of Bush and Ortega talking casually as they met. As a result, the joint photo carried in THE NEW YORK TIMES and THE WASHINGTON POST on 28 October was one provided to the Reuter's News Agency by a Nicaraguan delegation.

The main reason such an embarrassing situation had appeared in U.S. diplomacy is its erroneous Central American policy. Through various diplomatic means, including refusal to have a dialogue with Nicaragua, the United States has energetically tried to impose its own will on others and force Nicaragua to make changes it hopes for. This obviously runs counter to the trend in the development of the Central American situation.

Since the beginning of this year, one feature of the situation in the Western Hemisphere is that the peace process in Central America has shown obvious progress. In August this year, the presidents of five Central American states reached an agreement to stimulate peace in Central America. Its main content calls for quickly dissolving, repatriating and resettling the contras entrenched in Honduras and for Nicaragua's promoting peace at home and holding a democratic election ahead of time. At present, to help realize the dissolution of the contras, international support and inspection committees have been set up and have started working. Nicaragua has also actively made various preparations for the holding of elections in February next year. All this shows that the main aspect of the Central American situation is good. But the United States has all along gone its own way. On the question of dissolving the contras, the United States has used such excuses as "willingness" and opposition to "compulsory means" to delay the Contra dissolution time limit. This was done in an energetic effort to retain the contras as a force, to bring pressure to bear on the Nicaraguan government and force Nicaragua to make still greater concessions in the matter of domestic policy. On the problem of elections, the United States has used such excuses as "freedom" and "justice," making many accusations against Nicaragua in an attempt to hold elections in the way it hopes for. Not long ago, it also passed legislation providing the opposition parties in Nicaragua with \$9 million as funds to support their election campaign.

There has been some readjustment in the existing U.S. policy toward Nicaragua, compared with the time of Reagan. There is no longer the call for changing the Nicaraguan regime through military means. But there is basically no change in its imposing its own will on others through other means. If the United States does not

change its existing practice, then its American diplomacy can hardly be lifted out of the embarrassing situation of self-contradiction.

Journal Views CPC International Relations

HK0211143189 Hong Kong CHENG MING in Chinese No 145, 1 Nov 89, pp 10-12

["Notes on the Northern Journey" by Lo Ping (5012 0393): "CPC Diplomacy is Beset With Difficulties—The Ultra-Leftist Faction Launches Surprise Attack on the 'Pro-American Faction'"]

[Text]

The Situation Difficult To Withstand

At present there is probably no other ruler in the world like the CPC, which is beset with troubles. There are hard nuts to crack in the fields of politics, economy, culture, education, nation, and ideology. Even the CPC did not expect itself to be in such a predicament in its diplomacy which it had always handled with facility. Apart from the sanctions imposed by the West and some African and South American countries which severed diplomatic relations with the CPC and established diplomatic relations with Taiwan, the Norwegian Nobel Peace Prize Committee decided to present this year's peace prize to the Dalai Lama, shocking and annoying Beijing's Foreign Ministry and the CPC top levels. Moreover, the struggle in the diplomatic circles launched by the ultra-leftist faction against the "pro-American faction" has landed foreign minister Qian Qichen in a hot spot.

Preventing the Peace Prize From Being Presented to Chai Ling

At first the diplomatic personnel of the CPC in Norway and Beijing's Foreign Ministry did not expect this move by the Norwegian Nobel Peace Prize Committee. When some countries nominated Chai Ling for the Nobel peace prize not long ago, the Chinese diplomatic envoys in Norway solemnly informed the Norwegian Government that Chai Ling was an offender wanted by the Chinese Government (as of this writing, Chai Ling and Feng Congde were still on the CPC's wanted list). Then there was no news whatsoever. The relevant CPC departments thought that there would be no more trouble over the peace prize issue. For this reason, Beijing envoys to Norway and the Foreign Ministry were shocked to learn the news about presenting the peace prize to the Dalai Lama. The embassy in Norway immediately dispatched a report to Beijing. Taking it as a major political event, the Foreign Ministry submitted a report without delay to Deng Xiaoping and the Political Bureau.

Cannot Stop the Prize From Being Presented to the Dalai Lama

Meanwhile, the Chinese Embassy in Norway repeatedly made representations to the Norwegian Government in

private, expecting the Norwegian Government to exert influence on the Nobel Peace Prize Committee and prevent the prize from being presented to the Dalai Lama. Otherwise, it would not only hurt the feelings of the Chinese people, but also damage the peace and friendly relations between the two countries. However, the Norwegian Government replied that the peace prize committee is a nongovernmental organization which has no direct relations with the government on the one hand; and promised to pass the message of the Chinese Government to the committee on the other hand.

The Foreign Ministry Receives Criticisms Time and Again

At this moment, Beijing's Foreign Ministry and Vice Premier Wu Xueqian who was responsible for diplomatic work personally instructed the ambassador to Norway to "explain the common interests and try to stop the prize from being presented to the Dalai Lama." However, the Norwegian Government turned a deaf ear to this. The news of presenting the peace prize to the Dalai Lama was officially released. Shamed into anger, the CPC lodged a protest against the peace prize committee for "interfering in China's internal affairs." Very angry about this, chairman of the committee, Orvik, answered back sarcastically, the reaction of Beijing is very much like that of Hitler to the Nobel peace prize presented to the anti-fascist German reporter Carl von Ossietzky. Naturally, Beijing again flew into a fury. Because of this, the CPC Central Committee criticized those involved in diplomatic work. October was "black month" for the Foreign Ministry as it was also criticized for the fact that Taiwan won over Liberia, Grenada, and Belize.

Measures Taken To Deal With Taiwan's Elastic Diplomacy

The CPC has been upset recently by Taiwan's elastic diplomacy. The top CPC levels believe that these small nations leaned to Taiwan merely for the sake of money. They know that this is by no means a trifling matter. They know they must not lower their guard against Taiwan's meddling in the international arena under the banner of elastic diplomacy pursued by Lee Teng-hui following his assumption of office. The CPC had decided to take the initiative after its 5th plenary session and stop this trend as much as possible. At the diplomatic and Taiwan work conferences to be held by the end of the year, the CPC plans to examine its work in light of Deng Xiaoping's instructions and to stop Taiwan from scoring further diplomatic successes.

The Struggles Within the Foreign Ministry

Facing such a diplomatic problem, particularly finding itself in an unprecedented isolated position in the world, the CPC Foreign Ministry is indeed in an embarrassing situation. What is more, struggles never ceased within the Foreign Ministry. Following the 4 June incident, Beijing's minor climate has changed toward the "left" politically. This "leftist" wind has naturally blown to the

diplomatic circles. The ultra-leftist diplomatic personnel took action without delay, resulting in a new round of struggle.

The struggle was launched by Xiao Qing, director of the General Office of the Foreign Ministry, and his followers. They solicited signatures from retired ambassadors to launch a struggle attacking the "pro-American faction" and criticizing the pro-American line.

The Ultra-Leftist Faction Wants To Attack the "Pro-American Faction" Xiao Qing and his followers attempted to attack the "pro-American faction" which included Wu Xueqian, Qian Qichen, Han Xu, Zhang Wenjin, and Hu Hongfan. (In "Notes on the Northern Journey" in CHENG MING issue No 10, I mistook Hu for Wu because the friend who passed the message was from the north and "Wu" and "Hu" sound alike. I apologize for my mistake. Lo Ping)

The attack was focused on Shanghaiese, most of whom were graduated from St. John's University in Shanghai. They said: Following the 4 June incident, China's Foreign Ministry was not tough enough in attacking U.S. interference in China's internal affairs because their children are all studying in the United States. For example, former Chinese Ambassador to the United States Han Xu's children are all studying in the United States. It has been reported that his grandchildren have also obtained passports to the United States. Under such circumstances, how can Han Xu be tough in blaming the United States?

There are objective factors for Xiao Qing and others for launching the surprise attack.

The Objective Factors for Xiao Qing To Launch the Struggle

First, viewed from the current climate, as those supporting the student movement were all regarded as representatives of "bourgeois liberalization" and rightists, the 4 June incident is a golden opportunity for the ultra-leftist faction within the CPC to gain ground. The hardliners within the party and army insist on using arms to suppress the students, offering the leftist forces an opportunity to gain ground. For this reason, the struggle to attack the "pro-American faction" has taken shape.

Second, the people of the "pro-American faction" encountered different kinds of trouble in the 4 June incident. For example, Wu Xueqian's son was expelled from the party and removed from all his posts inside and outside the party. In the broadcast program, an English language announcer for China International Radio and Television station under him told the whole world that Chinese troops opened fire against unarmed people and students at Tiananmen Square. Wu's son was involved in the matter.

In the Second Screening, the Foreign Ministry Examines 19 Kinds of People

Here is another example. President Zhang Wenjin and vice president Hu Hongfan of the Chinese People's Association for Friendship with Foreign Countries tried to stop martial law troops from entering the association. Hu Hongfan also went to Tiananmen Square to deliver political speeches. Now both of them are the target of criticism with the charge that they belong to the 19 kinds of people.

In yet another example, the Foreign Ministry announced that it finished the task of screening work a few days following document No 3 issued by the CPC Central Committee on screening the 19 kinds of people. At this moment, some people of the Foreign Ministry reported to the central authorities, saying that at least 300 to 400 people of the Foreign Ministry took part in the demonstrations supporting the students and yet the ministry declared the end of screening work without ferreting out a single person. Qian Qichen and the party group of the Foreign Ministry were forced to announce for the second time that the screening work would continue. Some people say that this is a rather serious problem.

A Cold Response to the Signature Drive Launched by the Ultra-Leftist Faction

To date, however, Xiao Qing and his followers have not been successful in their attempt. The response to the signature drive launched by this director who retired years ago was cold for the following three reasons:

First, large numbers of people in the Foreign Ministry and State Council showed sympathy to the student movement. Although many of them remained silent, they were against the ultra-leftist line, the ultra-leftist figures, and the viewpoints against democracy and the West.

Second, the diplomatic principle reiterated by the Foreign Ministry explicitly pointed out that diplomatic relations with the United States will still occupy an important position.

Third, the people of the "pro-American faction" blamed by Xiao Qing still assume important leading posts in the foreign affairs departments. They also have extensive relations with personages at all levels of the Foreign Ministry and personages of the higher authorities.

The Ultra-Leftist Faction Cannot Easily Succeed Because of the "Anti-Gorbachev" Line

Nevertheless, the ultra-leftist faction of the Foreign Ministry will not resign themselves to defeat. They may restrain themselves when they encounter setbacks and then try to stage a comeback. We will have to wait for a period of time for the situation to clear up. If personages of the "pro-American faction" are still active on the political stage and diplomatic occasions, we can presume that the long-cherished wish of the ultra-leftist faction has not yet been fulfilled.

As Gorbachev's reform and open policy is not to the CPC's liking, the CPC regards his reform introduced to the Soviet Union and East Europe as a most terrible "bourgeois liberalization" which must be resisted. Naturally, this will not hinder the friendly Sino-Soviet relations in the economic field. However, China will never lean to the Soviet side nor break through the balanced situation in Sino-U.S.-Soviet relations. Viewed from this angle, the ultra-leftist faction cannot easily succeed in attacking the "pro-American faction."

Official Outlines Asian Games Ceremonies

OW0211212889 Beijing XINHUA in English 1602
GMT 2 Nov 89

[Text] Beijing, November 2 (XINHUA)—The grand opening on September 22 next year of the 11th Asian Games in the Chinese capital will feature performances by skydivers, a military band, taijiquan (shadow boxing) masters and colorful callisthenics.

Zhu Zupu, director of the Ceremonies Department of the Beijing Asian Games Organizing Committee (BAGOC), said here today that the opening ceremony in East Beijing's Workers' Stadium will be staged strictly in light of the charters of the Olympic Council of Asia (OCA).

Before the official start of the games, there'll be a performance by 52 elite Chinese skydivers, a parade by a 600-strong military band, and a taijiquan performance by some 1,200 masters, half of them from Japan, Zhu said.

The opening ceremony will be followed by a one-hour callisthenics by some 20,000 performers, mainly pupils and students.

Zhu did not elaborate the details, but traditional waist-drum dances by farmers are expected to be one of the highlights.

"It's a combination of Chinese traditions with modern styles, in an atmosphere of solemnity, ardency and elegance," Zhu said. "We're making efforts for a breakthrough in the designs and performance," he added.

Practice has started in September, a full year before it will be staged.

The BAGOC official said that a torch relay named "Light of Asia" will be organized prior to the games start. Lit at the Tiananmen Square in central Beijing on August 22, four torches will be separately transported by air to Harbin in the northeast, Urumqi in the west, Lhasa in the southwest and Haikou in south China's island province of Hainan.

The torches will then be relayed on different routes through all the 31 Chinese provinces and autonomous regions except Taiwan. They come back to Beijing on September 22, to the games' opening ceremony.

But Zhu declined to describe how the games flame is to be ignited. "It will be done in a totally new way," he said. "It's a secret. You will know only then."

Zhu also announced that an art festival will be held during the games and inquiries had been sent to some OCA member countries and regions.

And the BAGOC will hold such exhibitions as sports stamps, sports photography, fine arts, Asian children's paintings, gold fishes and ancient Chinese dress and adornment, he said.

Asian Olympic President Assures Success

OW0311045189 Beijing XINHUA in English
0207 GMT 3 Nov 89

[Text] Kuwait, November 2 (XINHUA)—Shaykh Fahd al-Ahmad, president of the Olympic Council of Asia (OCA), said here Thursday he was confident the 1990 Asian Games in Beijing would be a success.

Describing his August visit to Beijing, he said: "I was worried when I went because of the reports, but I left with more confidence. I am glad I have seen what I have seen."

"Most of the stadiums and facilities were completed or nearly completed. All the preparations are on schedule and apart from adverse publicity everything is going smoothly."

The OCA president said he was also hopeful that both sides of Korea would form and send a joint team to the Beijing Asiad.

"The two sides are talking and seem to be making progress. I am optimistic," he said.

Commenting on the on-going first Friendship and Peace Games here, Shaykh Fahd said: "We only had two months to put the package together, yet we managed to get 45 Islamic countries to compete in the five sports."

He expressed the hope that the games will become a permanent fixture for every four years and said Senegal was interested in staging the event.

UN Spokesman Suggests Third World Debt Relief

OW0311115189 Beijing XINHUA in English
0745 GMT 3 Nov 89

[Text] United Nations, November 2 (XINHUA)—China today suggested more efforts by the international community to alleviate the external debt problem that has been haunting developing debtor countries since 1982.

Addressing the 2d Committee of the 44th Session of the UN General Assembly, China's representative Wang Baoliu said that although the developed countries and the international financial agencies have adopted some

measures to alleviate the debt problem and some debt has been written off, there is still the need for "increased efforts."

First of all, he said, the new debt strategy adopted by the international community "should be supported by sufficient funds" and that "the facilities in connection with debt relief and restructuring should be eligible to all developing debtor countries, and should not incur new conditionalities."

Besides, the developed creditor countries should encourage their commercial banks to make debt-reducing arrangements with and provide new money to developing debtor countries, Wang said. "They should review their tax, regulations, and accounting procedures to eliminate the obstacles to the commercial banks implementing various debt-reducing measures."

Thirdly, the debt-reducing measures should on the one hand be applicable to all debtor countries, and on the other hand tailored to the particular needs of various debtor countries including middle-income, low-income, lower-middle income, and heavily-indebted African countries.

In spite of great sacrifices made by the developing countries and some positive measures taken by the developed countries, "the debt problem remains to be very serious and the prospect for its alleviation remains uncertain," Wang said.

The debt situation of the developing countries has never seen a fundamental improvement since the outbreak of the debt crisis in 1982.

By the end of 1988, the total amount of debt owed by the developing countries reached 1.3 trillion U.S. dollars, and there was a 43 billion dollar negative transfer of funds out of these countries last year because of debt repayments and service.

China has always held the view that the solution of debt problem requires a shared responsibility of all parties concerned, as all have a common interest in it.

"Only through a shared responsibility of all parties concerned, sharing the losses thus incurred, and by coordinated actions, can we expect positive results from the measures aimed at alleviating the debt problem," Wang said.

China believes that the objective of solving the debt problem is to "help the developing debtor countries reactivate their national economies," Wang said.

"For this reason, we appeal to the international community to take a series of measures to create an environment conducive to the economic development of the developing countries, and to help the debtor countries extricate themselves from the vicious circle and regain their capacity for economic growth," Wang said.

UN Envoy Announces 1990 Development Support

OW0211140789 Beijing XINHUA in English
0804 GMT 2 Nov 89

[Text] United Nations, November 1 (XINHUA)—Seventy-four UN member countries, including China, have pledged a total of approximately 1 billion U.S. dollars for development activities for the year 1990 at the UN Pledging Conference that concluded its 2-day session Tuesday but released the figures today.

The main beneficiaries from the contribution are the UN Development Program (UNDP), the UN Children's Fund (UNICEF), the UN Population Fund (UNFPA), and the UN Environmental Program (UNEP).

Chinese Ambassador Ding Jiahong announced at the conference that China pledged to contribute a total of 6.16 million U.S. dollars plus 1.27 million Chinese renminbi (about 343,200 U.S. dollars) for the development activities of various UN agencies next year.

In his opening speech at the conference on Monday, UN Secretary General Javier Perez de Cuellar said that it was a chance for countries to show in real terms how they intended to use the multilateral capacities built up over the past half-century for meeting the challenges now facing the international community.

In view of the fact that many new global problems such as climate change, environmental degradation, illicit drug use and trafficking must be tackled, the secretary general said steadily expanding resources were necessary to enable the United Nations to make its optimal contribution to development so that economic and social progress could be achieved.

UN Delegate Addresses Local Women's Status

OW0211082989 Beijing XINHUA in English
0115 GMT 2 Nov 89

[Text] United Nations, November 1 (XINHUA)—Inspired by the general goals of "equality, development, peace" of the UN Decade for Women, Chinese women have in the past four years made certain progress in achieving women's equal rights, integration in overall development and maintenance of world peace, a Chinese representative said at a UN meeting today.

Addressing the United Nations' Third Committee, which deals with social and humanitarian affairs, Ms. Du Yong of China said that Chinese women have made encouraging progress since the launching of the Nairobi forward looking strategies four years ago.

"Particularly in the past few years, as the reform process has deepened," Du Yong stressed, "new vistas have been opened up to women of China for their participation in the political life as well as in economic and cultural construction."

She said, "Chinese women's awareness for political participation has been strengthened and they have more actively taken part in the management and supervision of social affairs."

"Women's participation in overall social development facilitates the realization of the principle of equal rights between men and women as well as the improvement of laws and regulations safeguarding the rights of women," she added.

"While recognizing the great progress that has been achieved," she noted, "women in China still face some problems." She mentioned in particular the feudal notions of "men are better than women" which have not yet been done away with. Furthermore, she added, "women are still neglected and even subjected to discrimination" under certain circumstances.

She said that China has been making great efforts to solve these problems for women.

Network Set Up at Human Settlements Meeting

OW0311005189 Beijing XINHUA in English
1502 GMT 2 Nov 89

[Text] Shanghai, November 2 (XINHUA)—A network of local authorities for the management of human settlements in the Asian and Pacific region was set up today in Shanghai.

Regulations governing the network were adopted at the current international meeting on human settlements in the Asian and Pacific region.

The meeting opened on Wednesday and was attended by more than 60 mayors and other senior officials and specialists in urban management from cities in the Asian and Pacific region, Europe and Latin America.

Under the regulations, the general objectives of the network shall be to enhance and promote mutual understanding and establish technical co-operation between member cities and organizations, and to exchange experience and information in the fields of human settlement, development and management.

United States & Canada

Spokesman on Nixon, Embassy Security

HK0311044489 Beijing CHINA DAILY in English
3 Nov 89 p 1

[By staff reporter]

[Text] China hopes the Soviet Union and the United States will make solid progress in promoting detente and stability in the international situation, a Chinese Foreign Ministry spokesman said yesterday in Beijing.

Li Zhaoxing made the remark during the ministry's weekly news briefing while commenting on the

announcement by the two countries that they will hold an informal summit in December.

He also said former U.S. President Richard Nixon's visit to China came at a time when Sino-U.S. relations face serious difficulties and that China hopes the difficulties that arose in the last few months could be overcome as soon as possible.

He said the United States should take the initiative to overcome the difficulties.

Responding to a reported protest lodged by the U.S. Embassy in China over police presence around its compound, the spokesman said the measures taken by the Beijing municipal government since June to strengthen security—including posting more sentries, providing patrols and preparing reserve forces for emergency situations—in and around foreign embassies and diplomatic compounds are necessary and justified.

Answering a question regarding a news report that China has bought coal and gas-liquefaction equipment from South Africa, Li said that the Chinese government does not allow China's corporations to do business with South African corporations.

Joint Venture Predicts \$8-10 Million Gain

OW0311114889 Beijing XINHUA in English
0847 GMT 3 Nov 89

[Text] Shanghai, November 3 (XINHUA)—The first Sino-American joint venture to produce bearings was recently set up in Shanghai.

The venture, with registered capital of 5.5 million U.S. dollars and a total investment of 9.9 million U.S. dollars, involves the Shanghai Roller Bearing Plant and the General Bearing Corporation of the United States.

According to Yu Youpin, the Chinese director of the corporation, the venture, with an annual production capacity of 10 million sets of various bearings including spare parts and semi-products of bearings, will sell all of its products in American markets.

S.L. Gussack, the American director of the corporation, said that by the end of this year, the corporation will have produced 600,000 sets of bearings and made profits of 280,000 U.S. dollars.

Gussack estimates that by 1991 the venture will be producing over 10 million sets of bearings with profits of 8 to 10 million U.S. dollars.

The joint venture seemed unaffected by Beijing's June anti-government riot, he added.

Chicago Trade Board Conducts Futures Seminar

HK0311093889 Beijing CHINA DAILY in English
3 Nov 89 p 2

[By staff reporter]

[Text] In a second cooperative project with the People's Republic, the Chicago Board of Trade (CBOT) has begun a week-long seminar in Beijing to help Chinese business managers to better understand the overseas futures market.

The cosponsor of the programme is the Research Institute of International Trade of the Ministry of Foreign Economic Relations and Trade.

William Grossman, vice-president and managing director of the CBOT Asia-Pacific representative office told CHINA DAILY yesterday that the seminars are designed to help Chinese companies go into the world futures market on a more frequent basis.

The seminars have three guest speakers, two from the CBOT educational section and one from its economic analysis department, all based in Chicago.

The 35 participants from the Chinese side represent 17 major foreign trade companies and foreign-related businesses.

In a separate programme, Grossman said that the CBOT is helping the Ministry of Commerce and the Henan provincial government to set up a cash/wholesale market for grain in Zhengzhou, capital of Henan Province. It was expected to be the embryo of a futures market for grain.

The practical preparations for launching this small-scale experimental market are in progress, Grossman said.

Shanghai Mayor Meets Health Foundation President

*OW3110121089 Shanghai City Service in Mandarin
2300 GMT 9 Oct 89*

[Text] Shanghai Mayor Zhu Rongji and Vice Mayor Xie Lijuan yesterday met with Professor (William Waltz), president of (The Health Foundation)—a civic organization in the United States—and his entourage at the Xijiao Guesthouse. They had friendly discussions on the establishment of a Sino-U.S. children's medical center in eastern Shanghai.

Professor (Waltz) and his entourage were in Shanghai at the invitation of the Shanghai No. 2 Medical College. The two sides discussed the equipment and facilities for the proposed center and the training of related personnel.

Fujian Governor Meets Chinese-Americans

*OW3110230089 Fuzhou FUJIAN RIBAO
in Chinese 5 Oct 89 p 1*

[Text] Governor Wang Zhaoguo received Ren Lizeng, chairman of the Association of Fujian People in Washington, the United States, and his wife; Yang Yijing, chairman of the Joint Conference of the Overseas Chinese Community in New York, the United States, and his wife; and Zou Zuoxiong, former chairman of the All-American Chinese Association, Washington branch

at the provincial government building yesterday afternoon. Wang Zhaoguo welcomed them for coming to China and for participating in the activities to mark the 40th founding anniversary of the People's Republic of China. He also thanked them for their long support and contributions to building the hometown as well as for their understanding and support for the quelling of the rebellion in Beijing. Wang Zhaoguo briefed the guests in a cordial atmosphere on the changes that have taken place in Fujian particularly after the decade of reform and opening to the outside world. He also heard suggestions from the guests on accelerating the pace of construction in Fujian.

Also attending the meeting were Vice Governor Chen Mingyi; Zhang Xiangti, honorary chairman of the Association of Fujian People in Washington; and Zheng Jinshou.

Soviet Union

Procuracy Delegation Leaves for Guangzhou

*OW0311020089 Hangzhou Zhejiang Provincial Service
in Mandarin 1000 GMT 23 Oct 89*

[Text] The USSR Procuracy Delegation led by Deputy Procurator General Pobezhimov concluded its visit in Hangzhou and left the city this afternoon by plane for Guangzhou. Seeing the delegation off at the airport were Chief Procurator Hu Canshi and Deputy Chief Procurator Geng Xiaoping of the Provincial People's Procuratorate and Chief Procurator (Li Hongsheng) of the Hangzhou City People's Procuratorate. The USSR Procuracy Delegation arrived in Hangzhou on 22 October. On the evening of 22 October, Yang Bin, vice chairman of the standing committee of the Zhejiang Provincial People's Congress, met with and feted all the members of the USSR Procuracy Delegation at the (Huasansan) Guesthouse.

Shanghai To Sponsor Television Programs

*OW0311114789 Beijing XINHUA in English
0853 GMT 3 Nov 89*

[Text] Shanghai, November 3 (XINHUA)—Sponsored by the Shanghai Television Station, "Leningrad Television Week" will open on November 7, the 72nd anniversary of the Soviet "October Revolution", in Shanghai.

It will be the first-large scale exhibition of Soviet television programs in China.

During the eight-day exhibition, many famous Soviet films, such as one based on Dostoevsky's "Another's Wife and the Husband Under the Bed", and "The Last Years of Pushkin", and television plays and other programs will be shown.

The exhibition aims to enhance the understanding and friendship between China and the Soviet Union and the two peoples.

Animals Exchanged Across Northwest Border

*OW0311041889 Beijing XINHUA in English
0139 GMT 2 Nov 89*

[Text] Urumqi, November 3 (XINHUA)—China has exchanged 160 camels for 400 goats, 38 oxen, 38 horses and 20 foxes from the Soviet Union.

The exchange took place recently along the border between the two countries in Northwest China's Xinjiang Uygur Autonomous Region. A local official said both countries would benefit from such exchanges.

Southeast Asia & Pacific

Sihanouk Arrives From Pyongyang

*OW0311110189 Beijing XINHUA in English
0805 GMT 3 Nov 89*

[Text] Beijing, November 3 (XINHUA)—Prince Norodom Sihanouk, president of Democratic Kampuchea, and his wife arrived here by air from Pyongyang today.

Chinese Vice Foreign Minister Liu Shuqing greeted the Sihanouks at the airport.

Thailand Delegation Leaves Shanghai for Jinan

*OW0311015089 Shanghai City Service in Mandarin
2300 GMT 23 Oct 89*

[Text] According to a station report, the Thai Government delegation led by Anuwat Watthanaphongsiri, minister attached to the office of prime minister, arrived in Shanghai on 21 October for a friendly visit. The delegation left Shanghai on 23 October for Jinan. During its sojourn in Shanghai, the Thai Government delegation visited the Shanghai Electrical Machinery Plant, the Shanghai Steam Turbine Plant, the Shanghai Boiler Manufactory and the Hudong Shipbuilding Yard.

Economic, Technical Trade With Indonesia Sought

*BK3110102089 Jakarta ANTARA in English
0822 GMT 31 Oct 89*

[Text] Beijing, October 31 (OANA/ANTARA)—Many (Chinese) entrepreneur members of the CCPIT (Chinese Committee for the Promotion of International Trade), are currently seeking economic and technical cooperation with Indonesian counterparts, CCPIT Chairman Zheng Hongye said at his office here on Monday [30 October].

At present the relations between Indonesia and People's China are still at trade level, but if these relations become normal again, both countries, each having their own superiorities, will be able to cooperate, Zheng said at a dialogue between the CCPIT side and the Kadin [Chamber of Commerce and Industry] Indonesia trade

mission which is currently on a nine-day goodwill visit to the People's Republic of China (PRC), which started from October 27.

Zheng further believes that the current visit of the Kadin Indonesia delegation to his country will have a positive impact on the enhancement of trade relations between the two countries.

According to Zheng, People's China is still confronted with big problems in the field of agriculture, including demands for large quantities of fertilizer and pesticides.

Although his country is able to produce nine million tons of fertilizer per year, additional millions of tons are still required to meet China's domestic demands until the end of this century.

Meanwhile at a separate dialogue, PRC Minister of Trade Hu Peng told the Kadin delegation that his country bought 400,000 tons of palm oil from Malaysia last year. Apart from that, People's China also requires about one to two million tons of sugar per year as well as millions of tons of wheat. "Although we produce and export soy beans, rice and maize. On the other hand we need wheat in substantial quantities for domestic consumption", he added.

The PRC which is also known as the biggest bicycle user country in the world, is currently in need of some 200 million bicycles. Beijing city with a population of about 10 million people has about eight million bicycles.

"For the greater part these bicycles have to be imported to meet the rural population's demand for this means of transportation," Hu Peng said.

Kadin Indonesia's general chairman, Ir Sotion Arjanggi, is of the view that People's China can become a potential market for Indonesia's non-oil/gas products. He also sees that many Chinese products are complementary to Indonesia's industry, such as cotton.

Indonesia, Sotion said, is currently developing its crude palm oil on a grand scale, which can be marketed in China. So can Indonesian fertilizer.

According to Sotion, the export of Indonesian fertilizer to the PRC is still conducted through third parties, but he is convinced that in due time Indonesian fertilizer can be sent there directly, the general chairman of Kadin Indonesia said. The 40-member Kadin Indonesia trade delegation on Monday noon had a dialogue with the deputy president of the Bank of China, Yang Huiqiu, and high officials of the PRC Ministry of Foreign Economic and Trade Relations.

At the dialogue, the PRC officials in general are hoping for speedy normalization of relations between the two countries in order to wipe out all still existing obstacles in the efforts to enhance trade relations between both sides.

Fujian's Wang Zhaoguo Meets Singapore Banker*OW0311052189 Fuzhou FUJIAN RIBAO in Chinese
7 Oct 89 p 1*

[Text] Provincial Governor Wang Zhaoguo met with Huang Zuyao, president of the Dahua Banking Group in Singapore, and his party in the meeting room on the seventh floor of the Provincial Government Building at noon on 6 October.

Wang Zhaoguo extended thanks to the Dahua Banking Group for supporting Fujian's economic development. Touching on the prospects of Fujian's economic development, he said: Singapore has a rich advanced experience of management from which we should learn. On the one hand, we must carry forward and develop the past experience of success; on the other hand, we must continue to acquire the advanced technology and experience of foreign countries, use them, and develop them through exploration. Mr Huang said: "Singapore's economic success is also achieved in the course of continuously correcting errors."

The host and the guests sincerely exchanged ideas and made many tentative plans and suggestions on how Singapore and Fujian could increase exchanges of friendly visits and expand long-term cooperation.

You Dexin and others were present.

Near East & South Asia**Bhutan Foreign Minister Arrives for Border Talks****Meets Li Peng***OW0211143989 Beijing XINHUA in English
1032 GMT 2 Nov 89*

[Text] Beijing, November 2 (XINHUA)—The Sino-Bhutanese border issue can be solved in line with the Five Principles of Peaceful Coexistence and in the spirit of mutual understanding and mutual accommodation, Chinese Premier Li Peng said today.

During his meeting with visiting Bhutanese Foreign Minister Lyonpo Dawa Tsering here today, Li extended warm welcome to Tsering, saying he was glad to meet him.

As neighbors, Li said, China and Bhutan have been friendly with each other all along. The border issue left over from history is not a big problem, he said.

With the joint efforts of both sides, Li added, this problem can be solved according to the Five Principles of Peaceful Coexistence and in the spirit of mutual understanding and mutual accommodation.

Tsering said the Bhutanese Government and people highly cherish their traditional friendship with the Chinese Government and people.

The Bhutan-China border has been peaceful and calm since ancient times, and no conflicts have ever occurred, Tsering said.

He expressed confidence that guided by the Five Principles of Peaceful Coexistence and the principle of mutual understanding and accommodation, governments of the two countries will find a solution of the border issue, which is acceptable to both sides.

During the meeting, Tsering passed on the warm greetings and good wishes to Li Peng and the Chinese people from Bhutan's King Jigme Singye Wangchuck and the Bhutanese people.

The Chinese Premier asked Tsering to convey his greetings to the Bhutanese King, and wished Bhutan prosperity.

Visits Yang Shangkun*OW0211142389 Beijing XINHUA in English
1225 GMT 2 Nov 89*

[Text] Beijing, November 2 (XINHUA)—Chinese President Yang Shangkun met Bhutanese Foreign Minister Lyonpo Dawa Tsering and his party here today.

Yang expressed warm welcome to the Bhutanese foreign minister at the beginning of the meeting and had a friendly and cordial conversation with the Bhutanese guests.

Yang said China and Bhutan are good neighbors and they have no conflict of interests but share common aspirations.

Even though China and Bhutan have not established diplomatic relations, the exchanges between the two countries are increasing, Yang said, adding that such relations would continue.

He said that he hoped more Bhutanese friends, whether from governmental or nongovernmental circles, will come to visit China.

The Chinese President asked Lyonpo Dawa Tsering to convey his cordial regards to the King of Bhutan Jigme Singye Wangchuck.

Dawa Tsering also conveyed the cordial regards and best wishes from his King to the Chinese President, Chinese Government, and the Chinese people.

Dawa Tsering said that the Chinese and Bhutanese people have got along well for centuries and the Bhutanese people have cherished lofty and friendly feelings toward the Chinese people.

During the meeting, both sides held that the border issue can be settled in a spirit of friendship and through mutual understanding and accommodation.

Yang said that China will not impose its own will upon other countries even if it is a big nation and will solve issues in the spirit of equality.

Feted by Wu Xueqian

OW0211142189 Beijing XINHUA in English
1249 GMT 2 Nov 89

[Text] Beijing, November 2 (XINHUA)—Chinese Vice Premier Wu Xueqian met and hosted a dinner for visiting Bhutanese Foreign Minister Lyonpo Dawa Tsering and his party here this evening.

Investment Delegation To Visit Bangladesh

OW0211133689 Beijing XINHUA in English
1246 GMT 1 Nov 89

[Text] Dhaka, October 1 (XINHUA)—Four high-powered delegations from China, Japan, South Korea and Hong Kong will visit Bangladesh this month to explore investment opportunities, press reports said here today.

This was announced at a news conference here Tuesday by President of Metropolitan Chamber of Commerce and Industries (MCCI) S.F. Rahman, who had just returned from a tour of the Far East at the head of a 10-member delegation to promote foreign investment.

Rahman said the entrepreneurs he met sought investment in such fields as leather and leather products, plastic moulding, sports goods and electronic hardware.

Hong Kong toy manufacturers showed keen interest in setting up toy manufacturing units under joint venture, and toys can be a potential sector like garments as it is a very labor intensive and value-adding one, he added. [sentence as received]

Bangladesh has established an export processing zone (EPZ) at Chittagong, and it is very soon going to have another EPZ at Dhaka.

The industries in EPZs enjoy special fiscal incentives and other infrastructural facilities. Businessmen can have tax free imports and 10-year tax holidays in the EPZs, officials said.

Ambassador Hosts Reception at Baghdad Trade Fair

OW0311042289 Beijing XINHUA in English
0105 GMT 3 Nov 89

[Text] Baghdad, November 2 (XINHUA)—A "China Day" was observed at a reception at the China Pavilion in the 26th Baghdad International Fair today.

Over 300 guests, including Iraqi Trade Minister Muhammad Mahdi Salih al-Rawi, attended the reception given by Chinese Ambassador in Iraq Zheng Jianying along with representatives of the China Council for the Promotion of International Trade.

Speaking on the occasion, Mahdi hailed Iraq-China cooperation in the economic, trade and technical fields, and expressed the desire for expanding such cooperation.

On display at an exhibition arena of 600 square meters are products from 19 Chinese enterprises which are authorized to engage in foreign trade on account of their capabilities to compete on the world market.

One is the China Petrochemical Industrial Corporation with a registered capital of 5.5 billion U.S. dollars. Another is the Capital Iron and Steel Works in Beijing, which is noted for its pioneering role in China's economic reforms.

Exhibits include machinery and equipment for oil exploration and production, petrochemical products, vessels, rolled steel, electronic devices and manufactured goods, in addition to traditional Chinese textiles.

The Baghdad fair has been held annually since 1964.

East Europe

Czechoslovakia's Johaness Meets Qian Qichen

OW0211144289 Beijing XINHUA in English
1210 GMT 2 Nov 89

[Text] Beijing, November 2 (XINHUA)—Meetings with Chinese leaders and talks with Chinese Foreign Minister Qian Qichen are "fruitful," visiting Czechoslovak Foreign Minister S. Jaromir Johaness said here today.

This is conducive to further promotion of the friendly relations of cooperation between the two countries, he said.

At a press conference he gave here this afternoon, Johaness expressed his satisfaction over the fast development of bilateral friendly ties in the past few years.

However, cooperation in many fields remains to be launched, he said.

Touching on the reform in Czechoslovakia, he said the reform is aimed at consolidating socialism and give full play to its potentials.

Czechoslovak Leaders Meet PLA Delegation

OW0311061289 Beijing XINHUA in English
0211 GMT 3 Nov 89

[Text] Prague, November 2 (XINHUA)—Czechoslovakia supports China's policy of safeguarding socialism and maintaining world peace, Czechoslovak Communist Party General Secretary Milos Jakes said here today.

Talking to a visiting Chinese military delegation headed by Xu Xin, deputy chief of general staff of the People's Liberation Army of China (PLA), Jakes also said that under the present complicated international situation,

his country will continue the probe of seeking a proper road for socio-economic development according to Czechoslovakia's own conditions.

In a separate meeting with the Chinese delegation today, Czechoslovak President Gustav Husak told Xu Xin that his country highly appreciates China's principled and realistic policy in its socialist construction.

Husak said Czechoslovakia cherishes its relations with China and hopes to further overall cooperation with China.

The PLA delegation arrived here on October 28 after a visit to Democratic Germany.

During the stay here, Xu also met respectively with Czechoslovak Defense Minister General Milan Vaclavik and the Army's Chief of General Staff Colonel General Miroslav Vacek.

Latin America & Caribbean

Argentina's Menem Receives Entrepreneurs

OW0311061489 Beijing XINHUA in English
0207 GMT 3 Nov 89

[Text] Buenos Aires, November 2 (XINHUA)—Argentine President Carlos Menem received a delegation of the China International Geological System Company Ltd in the presidential palace Wednesday afternoon.

During the meeting, President Menem praised the Chinese entrepreneurs for fixing their sights on Argentina and their intention to invest in and exploit the south of Argentina.

The Chinese delegation arrived here on September 27. It has investigated Neuquen Province located in the south of Argentina for possible geological exploration.

The delegation was invited here by Westfield S.A. of Argentina.

Political & Social

Further on CPC Central Work Conference

HK0311013789 Hong Kong SOUTH CHINA
MORNING POST in English 3 Nov 89 p 12

[By Willy Wo-lap Lam]

[Text] Regional cadres and central government leaders are locked in a bitter dispute over financial and tax policies at the central work conference, which ends today in Beijing.

The conference, attended by full and alternate members of the Communist Party Central Committee, heads of party and government departments, as well as provincial leaders, is a prelude to the fifth plenum, which is expected to be called either tomorrow or early next week.

Economic sources in the capital say that heads of provinces and major cities want Beijing to relax its tight money policy, which had begun even before the pro-democracy movement in the spring.

Provincial party secretaries and governors, especially those from the southeast coast, are also resisting Beijing's efforts to collect more taxes and financial contributions for central coffers.

"Many regional leaders want the People's Bank of China to slightly boost the money supply and open up credit," an economics cadre said.

"This is in spite of the fact that credit is usually further tightened towards the end of each year."

Regional leaders have presented party leaders and State Council ministers with gruesome pictures of local economies and business concerns going under.

In the past week, local cadres have fed the official press with stories of economies under siege.

For example, southern Jiangsu Province, whose growth rate has led the nation in the past 10 years, has tumbled badly in the wake of the tight money policy.

The China News Service reported yesterday [2 November] that "because of effect from the nationwide depression", the growth rate in individual cities in the region has gone down by more than eight percent.

The official estimate of the industrial growth rate in Guangdong Province is 15 percent this year. Yet local officials report widespread cases of factories owing each other money. In many concerns, workers are only paid as little as 60 percent of their salaries.

Many enterprises have to turn down attractive orders from abroad because they cannot borrow enough money to buy raw material and energy.

Analysts say that during the conference, regional leaders engaged in protracted bargaining with the central government over the level of financial contributions which individual provinces and cities must vouch for Beijing next year.

Specifically, cadres from such coastal provinces as Guangdong, Hainan and Fujian have argued against the abrogation of the financial contractual system.

Under the system, introduced by ousted party leader Zhao Ziyang in the early 1980s, local administrations get to retain their incomes after paying Beijing an agreed sum in taxes and other contributions.

Analysts say, however, that central leaders led by Prime Minister Li Peng and Vice-Premier Yao Yilin are most likely able to resist pressure from the regions.

A major proposal discussed at the Central Work Conference was the restructuring of the financial system with a view to strengthening the authority of the headquarters of the People's Bank of China.

In future, regional governments will not be permitted to influence the lending policies of local banks, and local financial institutions must observe the credit policies and interest rates determined by the central bank.

Li Peng Consolidates Power Before Party Plenum

HK0211013389 Hong Kong SOUTH CHINA
MORNING POST in English 2 Nov 89 p 11

[By Willy Wo-lap Lam]

[Text] Premier Li Peng has moved to consolidate his power base before the opening of a party plenum that will mainly endorse his economic policies.

The plenum, to be held in the next few days, is expected to support a three-year program to cool down the economy and promote central planning. The program has been drafted by a team of economists selected by Mr Li and his close ally Vice-Premier Yao Yilin.

Of more importance, is the fact that Mr Li's links with powerful party elders such as Mr Chen Yun and Mr Peng Zhen have been consolidated.

While it is true that paramount leader Deng Xiaoping has already designated General-Secretary Jiang Zemin as his successor, analysts say Mr Li has so far outmanoeuvred Mr Jiang in their bid to be first among equals in the Politburo.

Since last June, when Mr Jiang was promoted to party boss over Mr Li, who outranked the former Shanghai mayor in seniority, Mr Jiang has enjoyed massive media exposure.

He has given a number of important speeches on communist ideology, especially the need to combat bourgeois liberalisation and to promote party authority.

Mr Jiang has also made well-publicised pilgrimages to the revolutionary meccas of Yanan and Jinggangshan, where he spoke of reviving the values of plain living and hard struggle.

However, analysts say, in major matters of state including economic planning and foreign policy, it is Mr Li, who became State Council Vice-Premier in 1983, who has called the shots.

In addition to his hold on the economic portfolios, Mr Li is also head of the party's Leading Group on Foreign Affairs.

A Western diplomat said: "Li Peng, who aroused popular ire by playing a key role in suppressing the democracy movement, has wisely stayed away from ideological matters in the past few months."

"By contrast, by reiterating Maoist themes in his many speeches on ideology, Mr Jiang Zemin has rapidly acquired the reputation of a muddle-headed ideologue."

Analysts believe Mr Li has the solid backing of party elders, who traditionally have been king-makers in personnel appointments.

Chinese sources say Mr Li's main backers are Mr Chen Yun and Ms Deng Yingchao, the widow of Prime Minister Zhou Enlai, both of whom nominated him for the post of prime minister in 1987.

Mr Chen, the father of the "bird cage theory" of tight central control of all economic activities, made a surprise appearance on National Day when he talked to former Soviet Deputy Foreign Minister Ivan Arkhipov.

However, sources say that in the past few months, Mr Li has also strengthened his links with President Yang Shangkun and retired National People's Congress chairman Peng Zhen.

Analysts believe President Yang has decided to lend his support to Mr Li because he and Mr Jiang are close competitors for the position of Central Military Commission chairman.

That Mr Li's star is rising is evident from the propaganda machinery which has been giving him much exposure.

A key strategy of Mr Li's publicity men is to establish the link between Mr Li and his foster father, the late Zhou Enlai.

Unlike Mr Li, who has the reputation of a hard-liner, Mr Zhou was popularly seen as a moderate reformist.

An article just published in the mass circulation magazine OLD AGE entitled "Zhou Enlai and Li Peng", stated that Mr Zhou regarded Mr Li as though he was his own son.

The article also disclosed that Mr Zhou sent Mr Li to work in the northeast, and later dispatched him to study in the Soviet Union.

Only Mr Deng's support for Mr Jiang has prevented Mr Li from realising his ultimate ambition.

However, analysts point out that apart from his declining health, the fact that reform programs initiated by Mr Deng in conjunction with ousted party chief Zhao Ziyang have been reversed in recent months, means that the patriarch may be gradually losing his grip.

On three occasions in the past month, Mr Li has pointed out to foreign dignitaries that Mr Jiang is the core of the new Chinese leadership.

But a diplomatic analyst said: "Far from being a sign of weakness, Mr Li's protestations of support for Mr Jiang is evidence of his growing strength."

"What Mr Li really means is that while Jiang is the nominal head of the party to the outside world, it is Mr Li—together with the 'cabal of elders'—who pulls the strings."

Government Continues Campaign Against Dissidents

Circular Issued To Arrest Cai Ling, Others

HK0311073989 Hong Kong MING PAO in Chinese
3 Nov 89 p 2

["Special Dispatch": "CPC Issues Wanted Circular To Arrest Cai Ling and Other Intellectuals"]

[Text] It has been 5 months since the 4 June incident, but the Chinese Ministry of Public Security has not stopped trying to arrest prodemocracy demonstrators. The latest wanted list issued last month by the Ministry of Public Security to the whole nation, apart from including student leaders Cai Ling and Feng Congde (husband and wife) and Liang Qingtun, also includes intellectuals Wang Juntao, Chen Ziming, and Wang Zhihong (husband and wife), and Wu Xuecan.

A copy of the wanted list obtained by this newspaper shows that the order of the persons wanted is as follows: Wang Juntao, Chen Ziming, Wang Zhihong, Wu Xuecan, Liang Qingtun, Cai Ling, and Feng Congde, with the intellectuals placed before the student leaders.

At the top of the list is Wang Juntao, deputy editor in chief of JINGJIXUE ZHOUBAO and also a responsible person of the people-run Beijing Institute of Social and Economic Sciences. JINGJIXUE ZHOUBAO was ordered to cease publication by the China Press and Publication Administration in June. Chen Ziming was also a responsible person of the Beijing Institute of Economic and Social Sciences. The wanted list said that he and his wife Wang Zhihong had run away together. But the description given of Wang Zhihong was relatively brief. Wu Xuecan was editor and correspondent of the RENMIN RIBAO OVERSEAS EDITION.

After the 4 June incident, Beijing announced a wanted list of 21 student leaders plus members of the Beijing Workers' Association for Self-Autonomy and several intellectuals. But judging from the latest wanted list issued in October, it is clear that the number of intellectuals wanted for arrest is more than had been rumored. There had been rumors about a wanted list of intellectuals after the 4 June incident, but no evidence was available to support the story. But it seems that the circulation of this rumor was not unjustified. The whereabouts of other intellectuals once allegedly thought to have been on the wanted list, including Bao Zunxin, director of the Sitong Development and Research Institute; Cao Siyuan; well-known jurist Yu Haocheng; and so forth are unknown. They are not on the wanted list either. Therefore, the possibility that they have been arrested is quite great.

Spokesman of the State Council Yuan Mu said to a Japanese reporter some time ago that Cai Ling had run away to a foreign country. But the wanted list shows that she and her husband may still be on the run on the mainland. Various stories about their having fled to other countries or having been arrested have so far been only unconfirmed rumors.

The wanted list charges that these seven persons are "important criminals who incited, organized, and directed the Beijing counterrevolutionary riot. They have committed serious crimes and have run away out of fear." It also appeals to the masses to give public security organs help, raise their vigilance, and actively provide clues, so that public security organs can arrest these criminals as soon as possible.

The wanted list has remarks at the bottom saying that this order can be issued to basic-level organizations and security associations. It shows that the Chinese Government is going deep among the people to seek help in making arrests. It has been learned that copies of this wanted list have been found in the clubs of mainland factories and mining enterprises.

There have been no official announcements recently about the arrest of prodemocracy demonstrators. But according to a reliable source, there has been no relaxation in the work to get rid of and arrest dissidents.

The wanted list is as large as a "home visit certificate." It is an eight-page booklet. The wanted list carries the following detailed information about the seven wanted persons:

1. Wang Juntao (alias Wang Xiaojun), male, 31, a native of Henan Province, a responsible person of the people-run Beijing Institute of Social and Economic Sciences and deputy editor in chief of JINGJIXUE ZHOUBAO. Height: 1.75 meters. His build is on the heavy side. He has a relatively dark complexion, round face, big eyes, relatively thick lips. He speaks with a Beijing accent.

2. Chen Ziming (alias Li Bin), male, 37, a native of Haiyan County, Zhejiang Province, a responsible person

of the people-run Beijing Institute of Social and Economic Sciences. His height is 1.68 meters, he is relatively fat, and his hair is parted in the middle. He has a round face, relatively thick lips, and a slightly bent back. He walks with his feet wide apart and speaks with a Beijing accent. He has been on the run with his wife, Wang Zhihong.

3. Wang Zhihong (alias Liu Hong), female, 32, a native of Shanghai. She is 1.62 meters tall and has short curled hair, an oblong face, and double-lidded eyes. She wears a pair of brown-colored glasses that automatically adjust to the light for both indoor and outdoor use.

4. Wu Xuecan, male, 38, a native of Binhai County, Jiangsu Province, and editor and reporter of the RENMIN RIBAO OVERSEAS EDITION. He is 1.69 meters tall and is on the fat side. He keeps his hair relatively long and combed back. He has an oval face and a pointed nose. He wears brown glasses that automatically adjust to the light and speaks with the accent of a native of North Jiangsu. He is carrying a RENMIN RIBAO work certificate, No 0537, and a "reporter's certificate," No 870274.

5. Liang Qingtun (alias Liang Zhaoer), male, 20, a native of Pengxi County, Sichuan, a student of Class No 87 of the Department of Psychology of the Beijing Normal College. He is 1.71 meters tall and has a relatively slight build and relatively dark skin. He has an oblong face, small eyes, relatively thick lips, and the bridge of his nose is high. He speaks Mandarin.

6. Cai Ling (previously known as Cen Tan), female, 23, a native of Rizhao City, Shandong Province, and postgraduate of the Child Psychology Research Institute of the Beijing Normal College. She is 1.56 tall and has relatively fair skin, short hair worn in two plaits, a round face, single-lidded eyes, and relatively high cheekbones.

7. Feng Congde, male, 22, a native of Sichuan Province, a postgraduate of Class No 68 of the Remote-Sensing Institute of the Beijing College. He is about 1.7 meters tall and has a relatively light build, relatively dark skin, relatively long hair parted in the middle, a square face, and a big nose. He wears glasses and is a little hump-backed. He is the husband of Cai Ling.

Yan Jiaqi, Others Criticized

HK0311111089 Beijing RENMIN RIBAO in Chinese
3 Nov 89 p 1

[Commentator's Article: "An Ugly Performance"]

[Text] Yan Jiaqi and the likes, fugitives who have fled the country, recently published a proposal by the notorious "Democratic Front" usurping RENMIN RIBAO's name. They even forged a RENMIN RIBAO OVERSEAS EDITION and used facsimile machines to transmit a host of literary rubbish to China which viciously attacked the CPC, the Chinese Government, and the socialist system. It threw mud on China's actions

in stopping the turmoil and putting down the counter-revolutionary rebellion and vilified China's political situation of unity and stability which has taken shape since the rebellion was quelled. On 24 October RENMIN RIBAO OVERSEAS EDITION carried a commentator's article exposing their dirty trick of usurping its name and explicitly pointing out that they were "at their wits' end." Not long ago they used modern information technology to transmit such a falsification to China again. They went so far as to hold a press conference at which they claimed that this was their "first battle" against the Chinese Government and showed their self-satisfaction.

What are the results of this "battle"? The results are pitiful. They have not harmed a single hair of the Chinese people, the CPC, the Chinese Government, or our socialist system, nor have they added glory to the counterrevolutionary rebellion. Still less have they been able to confuse the political situation of unity and stability that has emerged since the rebellion was put down. Contrary to this, they have exposed themselves in their true colors and enabled the people in the country to heighten their vigilance. They are "lifting a rock only to drop it on their own toes." Neither forging RENMIN RIBAO OVERSEAS EDITION nor modern information technology can be of any help to these fugitives. Their reactionary proposals are enjoying less support in the country.

Yan Jiaqi and the likes, who advocated and persisted in bourgeois liberalization for years, fled the country after the turmoil and counterrevolutionary rebellion they instigated, organized, and commanded had failed. Refusing to give up their wicked intentions they have formed an organization, issued a declaration, established ties everywhere, and are begging all around in an attempt to stage a comeback. They realize that their dream has been crushed to pieces by the iron fist of the people's democratic dictatorship. We want to sternly warn these fellows: In the past you could not make your evil intentions come true, nor will you be able to realize them in the future. While in the country you could not achieve your aim, nor will you achieve it abroad, no matter what tricks you resort to. Any intention to subvert our People's Republic will be like "an ant ridiculously overestimating itself in trying to topple a giant tree!"

We would also like to advise the authorities of the relevant countries that they should take practical measures to ban Chinese fugitives from carrying out activities hostile to the Chinese Government! prevent being deceived in the future.

Democratic Front Leaders Attacked

HK0211085589 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 43, 23 Oct 89 pp 6-7

[Article by Zhen Yu (2182 1172): "A Program Vainly Attempting To Practice Capitalism in China—Commenting on the Program of the 'Democratic China Front'"]

[Text] Yan Jiaqi, Wuer Kaixi, and other escapees on the wanted list of the Chinese public security organ called an inauguration rally marking the establishment of the so-called "Democratic China Front" from 22 to 24 September in Paris. In the "inauguration declaration," the "program" of this "front" was put forward, calling for "an end to one-party dictatorship, the maintenance of fundamental human rights, the development of a market economy, and the buildup of a democratic China."

I read over this "declaration" and the "program" spelled out in this "declaration." I wanted to find out what are after all the arguments made by what people called "well-known scholars" and "student leaders" about "saving the country and saving the people." True to the ancient saying, "Listen to what others say and keep an eye on their acts," I have viewed the "truth in 24 words" newly concocted by them, in light of what this handful of people did in the past. In so doing, I want to see that kind of stuff they are selling.

I find that this so-called program is nothing but a political propaganda handbill intended to cover up with a little juggling a plot that cannot see the light of the day. The "program" is not worth the dignity of the word in Chinese. Their actual idea is obviously to overthrow the leadership of the Chinese Communist Party, subvert the socialist system, and practice capitalism in China. But they know that this political idea cannot find acceptance among the masses. Therefore, they use big words like "democracy" and "human rights" to dress things up—replacing one thing with another and dupe the people. In between the lines is their private stuff subtly thrown in. This is the old tactics they used in plotting the turmoil and counterrevolutionary riot. They had at that time first put forward the slogans, "Combat corruption" and "Combat officials' involvement in profiteering," luring the youths and the masses who do not know the truth out into the streets. They then came out playing the actual cards they had in mind—subverting the legitimate government, and so forth.

Actually, this "program" is also a carbon copy of the strategy of "peaceful evolution" practiced in China by Western countries. "An end to one-party dictatorship" is another version of political pluralism. The problem of human rights is especially the old tune used by Western countries to attack socialist countries. The development of a market economy is another version of the argument for introducing the privatization of the economy and negating the socialist economic system.

Now, we may make a concrete analysis of every superficial and hidden meaning of this so-called "program."

The first suggestion put forward in this "program" is "an end to one-party dictatorship." On the surface of it, the line gives the impression that just the practice of "a multiparty system" is being suggested. There seems to be nothing suggesting an overthrow of the Chinese Communist Party. It is quite mild in language. But taking a look

at the explanations in the "declaration," we can know the true meaning of these six words in Chinese. In the "declaration," the people's democratic dictatorship led by the Chinese Communist Party is described as a "despotic system" and as "a combination of Stalin-type totalitarianism and Oriental despotism." It is also claimed that "The transformation from a traditional society into a modernized version is the general trend in the development of China's history. Replacing an imperial system with a republic and a dictatorship with democracy has become the main theme of this general trend. The prosperity or decline of the nation lies in this." The last line gives things away: The socialist Republic led by the Communist Party is to be replaced by a bourgeois republic.

Is this conclusion imposed on them? Do they not say in the "declaration" that they want to take the same stand as that of the democratic, enlightened, and reformist forces in the Chinese Communist Party and in the Chinese People's Liberation Army?" But we may look at another place in the "declaration." It is again claimed: "The corrupt forces of the Chinese Communist Party stubbornly confine reform to the rigid framework of the so-called four cardinal principles in an attempt to secretly replace the essence of reform with pragmatism in getting rid of the economic plight...." I cannot help asking: What is after all "the essence of reform" advocated by them in a departure from the "four cardinal principles?"

Departing from the leadership of the Communist Party, departing from the socialist direction, departing from the guidance of Marxism-Leninism-Mao Zedong Thought, and doing away with the people's democratic dictatorship in carrying out reforms—can there be any other explanation for this than a call for a switchover to a bourgeois republic?

Some people may also ask: You communists having made mistakes and even made a big mistake like the "Cultural Revolution," is it not a good thing to have several more political forces supervising each other, with the introduction of what others suggest as "a multiparty system" and "political pluralism"? Why should there be opposition to "an end to one-party dictatorship" as advocated?

Was there not a period in China's history with many political forces and many military forces in struggle against each other? But this only brought the Chinese people civil war and chaos and made the country weak and the people poor and subject to oppression. Only after the Chinese Communist Party became the core in uniting the Chinese people did the Chinese people really stand up. In the 40 years since the founding of the New China, under the leadership of the Communist Party, China has changed from a poor semicolonial and semi-feudal country into a socialist country with initial prosperity. The gross national product and national income in 1988 were respectively 19.8 times and 18 times the figures in 1949. Such a pace of growth, needless to say,

did not pale in comparison with that of developing countries and even with that of some developed countries in the same period. It is inconceivable to have scored such achievements without the Chinese Communist Party as the core in uniting the Chinese people. The "declaration" concocted by Yan Jiaqi, Wuer Kaixi, and others says: "China is mired in a cycle of dynasties, with the crisis ever serious. It is still far behind the world." This is sheer nonsense in disregard of facts.

In this period, the Chinese Communist Party did commit some mistakes in the exploratory process of carrying out socialist modernization. Some mistakes caused very serious losses. But the many mistakes made by the Chinese Communist Party were corrected by themselves by relying on the promotion of democracy within the party and among the people, and not by relying on what is called an external political force as a counterbalance. After the Chinese Communists made the mistake of the 10 year "Cultural Revolution," they seriously made self-criticisms and summed up experiences and lessons. The gross national product in the 10 years after the "Cultural Revolution" showed an average annual growth of 9.6 percent. The pace of economic growth, or the rate at which the people's living standard was improved exceeded that of the past. This was because the Chinese Communist Party is the vanguard of the Chinese working class, and the representative of the interests of the people of all nationalities in China. It does not pursue any other interests than wholeheartedly serving the people, and maintains flesh-and-blood ties with the masses of people. This is where its strength lies. So it can rely on the supervision of the people to carry out self-criticisms and correct its own mistakes. Is it not that the Western press and even the Taiwan press admit that the Chinese Communist Party is a party that admits to its own mistakes? It may be asked: Of the many political parties practicing bourgeois republicanism, which is like the Chinese Communist Party approaching its own mistakes—seriously making self-criticisms, summing up experiences and lessons, and even arousing the masses to make corrections? The leadership of the Chinese Communist Party and the multiparty cooperation system led by the Chinese Communist Party are a historical choice made by the Chinese people. What the Chinese Communist Party relies upon is the love and support of the Chinese people. It is not that a strongman from somewhere can impose the leadership of the Communist Party upon a population of 1.1 billion. Did Chiang Kai-shek not rely upon U.S. planes and guns in an attempt to impose Kuomintang one-party dictatorship upon the Chinese people? Why was he driven to Taiwan by the Communist Party with only millet plus rifles? Was it not because one was against the people, and one was serving the people and relying upon the people. Furthermore, the description of the people's democratic dictatorship led by the Communist Party as a "one-party dictatorship" is also a willful distortion by Yan Jiaqi. One-party dictatorship is dictatorship exercised over the people for the sake of the interests of one single party. The people's democratic dictatorship means the practice

of democracy toward the people and the practice of dictatorship toward hostile elements. Even this point is mixed up. Yan Jiaqi's political knowledge is at a zero level.

Does the practice of bourgeois republicanism forever guarantee against the making of mistakes? If the United States is also considered a country practicing bourgeois republicanism, then take a look at the history since World War II. The mistakes committed by it are more plentiful and more serious. Is this not a fact? Yan Jiaqi and others say that a multiparty system helps toward the exercise of supervision and the timely correction of mistakes. Then why is it that one mistake after another made by the United States has not been corrected for as long as several years, or several tens of years?

The "program" of Yan Jiaqi and others makes much of "upholding fundamental human rights" and "building a democratic China." In their "declaration," they say that the Chinese Communist Party "resorted to massacre and then barbaric terror leaving China in a bath of blood." This is a sheer frame-up.

The Chinese Communist Party is the most resolute defender of the Chinese people's fundamental human rights and the people's democracy. Did the Chinese Communist Party not lead the Chinese people in carrying out several decades of bloody fighting, liberating hundreds of millions of workers and peasants from the oppression, exploitation, and ruthless slaughtering of imperialism, feudalism, and bureaucrat capitalism and enabling the Chinese people to become the masters of a republic? Did the Chinese Communist Party not lead the people of Tibet in their being liberated from a slave system of 1,000 years to obtain human rights? Were prisoners of war and the last emperor of the dynasty not given ideological education by the Chinese Communist Party with infinite patience and sincerity, enabling them to become citizens of the socialist Republic? During "the Cultural Revolution," there was really the act of encroaching upon human rights. But that was perpetrated by the counterrevolutionary clique of Lin Biao and the "gang of four." It was an evil consequence of their provoking anarchist thinking. After the "Cultural Revolution," the Chinese Communist Party immediately reversed verdicts on tens of thousands of false and wrong accusations and frameups. Is this not an iron-clad fact of respecting people and caring for people? In order to suppress the Tiananmen counterrevolutionary riot manipulated and directed by Fang Lizhi, Yan Jiaqi, and others, some rioters who willfully resorted to beating, smashing, looting, arson, and slaughtering were punished. This was a necessary act with no other choice to provide 1.1 billion Chinese people with a peaceful and stable environment for carrying out modernization and to keep them from being bogged down in endless chaos and civil disorder and from reliving the pathetic days of 40 years ago. This was exactly to safeguard the fundamental human rights of the masses of people. Describing the punishment of rioters and criminals subverting the

legitimate government, in order to safeguard the interests and security of the masses of people, as a trampling upon human rights—this is clearly a case of turning things upside down.

Well, the world does have some areas where human rights are being trampled upon. Did the United States not yesterday send out giant-sized B-52 bombers killing those innocent residents of Indo-China? Today, are they not still covertly or overtly supporting the South Africa regime in practicing discrimination, and supporting Israel in slaughtering the Palestinian people who fight for national independence? Did the French policemen not recently detain for more than a dozen hours Chinese personnel passing through Paris, giving them nothing to eat and allowing no contact with the Chinese Embassy? Why should Yan Jiaqi and others have turned a blind eye to all these phenomena and have instead enshrined these areas as sacred lands with protection for human rights?

In fact, since the birth of socialist countries, international anticommunist forces have all the time been working on the problem of human rights, attacking the Chinese Communist Party. Yan Jiaqi, Fang Lizhi, and others, starting with the request for the release of Wei Jingsheng, have all the time treated the human rights problem as a programmatic slogan. This is nothing but an attempt to stir up a storm in the world of public opinion and win the sympathy and support of foreign countries.

In the "program," Yan Jiaqi and others' idea in the economic field is to "develop a market economy." Everyone knows that since the start of the reform, China has carried out some reforms where excessive concentration and too rigid control in the planning system are concerned. It has all along "upheld the combination of a planned economy with market regulation." Acting in a planned and proportionate manner is the feature of the socialist economy and also an embodiment of its superior features. Yan Jiaqi and others' call for unconditionally developing a market economy means completely doing away with China's guideline of developing a diversified economy with public ownership as the core, and putting the economic system on a capitalist basis as an appendage to international capital. There is no other explanation than this.

Taking a look at this "program" from Yan Jiaqi and others and recalling all they have done, people can reach two conclusions: 1) This is a group of people working on political plots—following one line secretly while publicly practicing another line. In the turmoil and counterrevolutionary riot, did they not vehemently call for "supporting the Communist Party," "supporting socialism," "supporting the Constitution," "supporting the four cardinal principles," "getting rid of corruption and toppling officials involved in profiteering?" Why is there not a thing mentioned in their "program" about these ideas? It can be seen that they are conspirators in the habit of inciting the masses with deceptive slogans to stir

up turmoil and riots. 2) This "program" clearly tells people that all the speeches and acts of this handful of people are designed to overthrow the leadership of the Chinese Communist Party and subvert the socialist system with the support of the anticommunist forces abroad. Since their escape abroad after the failure of their plotted counterrevolutionary riot, they have become political beggars, who rebel against the motherland and the people and who beg for favors by denouncing their own motherland every day. This is their true nature.

Writer Liu Binyan Denounced

HK0311055389 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 3 Nov 89 p 1, 4

[Article by Guo Fan (6753 1581): "Full Exposure of Liu Binyan's Reactionary Feature"]

[Text] In early 1987, Liu Binyan was expelled from the party for seriously violating the party Constitution, party discipline, and party resolutions, attacking the four cardinal principles, vilifying the CPC, and becoming a representative figure of bourgeois liberalization. In March 1988, he received the Niman [1441 2581] Scholarship of the United States and went to the other side of the Pacific with his wife. He studied and gave lectures at Harvard University for 1 year. At the turn of spring and summer of this year, before and after the student unrest in Beijing developed into a round of turmoil and a counterrevolutionary rebellion, Liu Binyan played an extremely inglorious role. After the counterrevolutionary rebellion in Beijing was quelled, he went to many places and did his utmost to oppose the CPC and the socialist system. He also colluded with Yan Jiaqi, Wan Runnan, Wuer Kaixi, and other people who fled the country in establishing the reactionary organization—the "Democratic China Front," thus putting himself on the pillar of stigma in history.

Before the Turmoil: Summoning Wind and Rain

In a period of more than 1 year, Liu Binyan traveled to the eastern and western parts of the United States, Hong Kong, Bonn, Paris, and London in the capacity of a Chinese writer, an old reporter, and a "scholar" doing research work in the United States. He came into extensive contacts with various forces, especially people in the journalist and opinion circles and overseas intellectuals of Chinese origin. He frequently gave lectures, published articles, and gave interviews to reporters, thus becoming an important "newsmaker" and "source" about Chinese affairs for some Western and overseas mass media.

Liu Binyan stubbornly stuck to the position of bourgeois liberalization for many years and became more unscrupulous in advocating bourgeois liberalization after going abroad. In April of 1988, he published an article in the LOS ANGELES TIMES that advocated bourgeois "freedom of the press" and called for the establishment of "nongovernmental newspapers" in China. He opposed the CPC's leadership over journalism, opposed the

socialist journalist system and guidelines, and tried to seize an opinion position for bourgeois liberalization. In June 1988, he made a speech "on the issue of intellectuals in China" at a symposium, and the full text of this speech was published by the Hong Kong magazine PAI HSING. He uttered some noticeable points, he asserted that our country's socialist "democratic model and system have failed" and should be replaced with the capitalist political system "with three separate powers." He also said that "a major strategic mistake we have committed since 1949 is the absolute severance from capitalism."

Beginning last autumn, Liu Binyan obviously changed the tune of his comments on domestic political issues and there was a stronger smell of gunpowder. This was because he had perceived the new changes in the minor climate inside China and the major climate in the world with his special political sensibility.

In late September 1988, Liu Binyan asserted that China's economic reform "will not be successful" when giving a lecture in Harvard University, and he ridiculously alleged that the "CPC bureaucratic group" was the fundamental reason for China's inability to make progress. On 30 October, he gave a speech at the Queen's College of New York University and made an open instigation by saying that "a round of larger-scale and more intense turmoil than the Cultural Revolution will occur in China." Taiwan's radio "Voice of Free China" later broadcast a commentary with the topic of Liu Binyan's speech and launched a psychological offensive against the mainland. The commentary said that Liu Binyan's opinion was supported by many experts in Chinese affairs. They held that the forthcoming new "social revolution" would be directed at the CPC. This radio for fighting an anticommunist psychological battle also called for "grasping this opportunity" to greet the coming of a "new era."

In November 1988, Liu Binyan was interviewed by the reporter for the FRG's WELT ZEITUNG in Bonn. In response to a question about creative freedom, he made use of the subject under discussion to slander China by saying that "there is no freedom of speech so far." He said that the current system in China needs a "change" and he hoped for the appearance of a "second political party," in early December when giving a speech to some Chinese students from both the mainland and Taiwan at the University of Maryland of the United States on the topic of the so-called "rise and death of the CPC and China's future." In the speech, he disregarded the great achievements of the 10-year reform in our country and said that the reform "was doomed to failure from the very beginning," because China's "political system is unreasonable." He called for abolishing the four cardinal principles which are taken as the foundation for establishing our state. He said that "the four cardinal principles are included in the preamble to the PRC Constitution and lack legal validity. Everything written on paper can be changed." He ridiculously attacked communism envisaged by Marx by describing it as "something with a

strong color of utopia." He accused Mao Zedong Thought as being "intensively harmful." He even openly claimed that he did not oppose using "means of violence" to achieve the goal of "democratic politics" in China. After concluding the speech, Liu Binyan told a "HSIANG KANG SHIH PAO (HONG KONG TIME)" reporter on his own initiative that he was greatly influenced by Taiwan's "democratization" that he had the courage to openly criticize the CPC. He said that Taiwan was a mirror to the mainland and he intended to visit Taiwan but was in no hurry and it was better to let Mr Fang Lizhi go there before him.

In making the above two clamors, Liu Binyan attacked our country's socialist political system and Marxist guiding ideology by using the political models and values of Western capitalist countries. The "democratic politics" he called is none other than the synonyms of Western political models, such as parliamentary democracy and multiparty system and the "democratization" he trumpeted means in essence turning China into a bourgeois republic and reducing it once more to the status of a vassal to big Western capitalist countries.

At the beginning of this year, in collusion with people such as Fang Lizhi, Liu Binyan staged a farce to demand general pardon and the release of the so-called "political prisoners, such as Wei Jingsheng and others who had seriously violated criminal law. Supported by some overseas political forces, by capitalizing on the opportunity of the American President's visit to China and the "human rights" issue, they created incidents and coerced our government. On 6 January, Fang Lizhi sent an open letter to Deng Xiaoping, demanding the release of "political prisoners" and Wei Jingsheng. At a rally of the "New Enlightenment Salon" on 28 January, Fang Lizhi agitatingly said: "The main problem currently facing China is the human rights issue. What we need is action." "We must adopt a complete and thorough critical attitude toward the authorities." At a press conference in Beijing on 26 February, Chen Jun, member of the Chinese Alliance for Democracy, distributed in large quantities Fang Lizhi's letter to Deng Xiaoping and the letters of 33 people including Chen Jun to the NPC Standing Committee and the CPC Central Committee. On 17 February, Fang Lizhi and 53 Overseas Chinese intellectuals issued a "Declaration on Urging Democracy and Reform on the China Mainland" in the United States, which included the release of "political prisoners" and the deletion of the clause concerning "counterrevolutionary offenses" from the criminal law. On 20 February, Liu Binyan published his predrafted "Answering Questions of a HUA CHIAO JIH PAO (OVERSEAS CHINESE DAILY) Reporter" in the United States and expressed his support for the actions of people, such as Fang Lizhi and Chen Jun.

Afterward, Liu Binyan and Fang Lizhi put on another show. On 19 February, when the U.S. President visited China, Liu Binyan, in a special interview by the NEW YORK TIMES published on the same day, blamed the U.S. Government for "not lodging a protest as it did

against the Soviet Union" on the issue of "political prisoners" on Mainland China and said that "it is indeed an insult if human rights in China are regarded as of no importance." Several days later, in an article dispatched from Beijing and published in the WASHINGTON POST, Fang Lizhi also blamed U.S. political activists for "only saying a few words without taking any action" on the issue of human rights in China, but openly showed their concern for the issue of human rights in the Soviet Union and other East European countries. These two guys successively resorted to the help of the U.S. press to blame, in the same tone, the U.S. Government for not interfering enough in China's internal affairs on the issue of "human rights," thus boosting the arrogance of the United States in interfering in China's internal affairs by means of "human rights diplomacy."

The "human rights farce" participated in by Liu Binyan and his like was merely the first "card" played by Fang Lizhi and his followers who had tried their best to instigate turmoil in China. Taiwan's LIEH HO PAO published an article on 23 February, which said: "A declaration on human rights has been published in New York and an open letter has been published in Beijing. The divine land is experiencing fundamental changes and an unprecedented tide of democracy!" This clearly indicated that between spring and summer, this year, a political turmoil was brewing in China and that the foreign and domestic antagonistic forces were preparing to join hands with each other in an attempt to stir up political turmoil in China.

In March this year, Liu Binyan went to Harvard University and gave a series of lectures there. On the platform of Harvard University, Liu Binyan frequently slandered and attacked the CPC and China's socialist system. Liu Binyan said that the CPC has practiced "dictatorship" and made unremitting efforts to step up its "autocratic rule" over the past 40 years. China's economic construction is "a complete failure." The decade-long reform has "drained China of her resources." Later on, these slanderous remarks made by Liu Binyan were transmitted to China by Voice of America and echoed the anticommunist and antisocialist tune sung by some people who were putting up a large number of big-character posters and small-character posters and held a lot of gatherings on the campuses of some institutions of higher learning in Beijing.

Banging the Drum for the Turmoil

On 15 April, Comrade Hu Yaobang passed away all of a sudden. Soon afterwards, the student unrest and turmoil, which had been brewing for a long time, broke out in China ahead of schedule. On the pretext of "rehabilitating bourgeois liberalization," the organizers and plotters of the turmoil put forward a reactionary political program which consisted of "parliamentary system," "multiparty system," "private ownership system" and some specific demands, including "rehabilitating Fang Lizhi and Liu Binyan," "implementing freedom of the press," "lifting the ban on private-run newspapers," and so on.

Liu Binyan, who was still in the United States at that time, immediately made his response to the student unrest and turmoil in China and said: "I am greatly encouraged by the student demonstrators on the Chinese Mainland" and "feel happy and excited!"

On 16 April, during an ABC television interview, blinded by his impatience to see an immediate overthrow of China's legitimate government, Liu Binyan said: "The Li Peng regime will collapse in 3 days." Three days later, he found that he had "miscalculated the situation" and went to attend a rally organized by "Liaison Group in Promotion of Democracy in China." At the rally, he shouted with anger: "China has never been worse than she is now. The Chinese nation is now in a grave crisis. A hopeless environment will inevitably cause the ordinary Chinese people to revolt..." Liu Binyan said that he had three times decided to go back to China in order to personally take part in the turmoil. The first time: When the turmoil reached its climate in April, his "friends" in China called him and urged him to go back to China. The second time: When the students began their hunger strike in May, he wanted to go back to China to personally give them support. The third time: When the student hunger strike continued for some time, he again wanted to go back to China to personally give them support. "However, I changed my mind three times." The experienced and astute Liu Binyan did not return to China, but acted as a mouthpiece of the foreign reactionary forces and banged the drum for the turmoil in China.

In the last 10 days of April, Liu Binyan attended several forums in New York. All the speeches made by Liu Binyan at these forums were later published by the reactionary publication CHINA SPRING. In his speeches, Liu Binyan denounced the CPC as "unprecedentedly fatuous" and "corrupt." Liu Binyan said that should China fail to solve her problems, China would become a "burden of mankind." On 4 May, Liu Binyan published his article entitled "Commemorating the 70th Anniversary of the 4 May Movement" in the NEW YORK TIMES, saying that "the turbulent situation on Mainland China will probably threaten the position and very existence of the CPC." This clearly showed his anti-CPC and antisocialist psychology.

After martial law was enforced in some parts of Beijing, the organizers and plotters of the turmoil felt panic-stricken, but would not resign themselves to defeat. Instead, they stepped up their efforts in organizing the counterrevolutionary rebellion and formed a reactionary force aimed at overthrowing China's Central Government. At this time, through the "Voice of America" and Hong Kong and Taiwan newspapers, Liu Binyan spread a large number of rumors. For instance, on 22 May and 23 May, the "Voice of America" broadcast a comment made by Liu Binyan in the United States: "Over 100 senior PLA [People's Liberation Army] generals have signed a petition to oppose the erroneous decision (enforcing martial law)...and they do not recognize the Li Peng regime and even call it a puppet regime." On 30

May, Hong Kong's MING PAO reported: "When attending a forum on human rights held at an American university yesterday, Liu Binyan told a group of Chinese students that he believed that Deng Xiaoping would sooner or later force Li Peng to step down. Liu Binyan said that according to information released by some high-level officials, eight ministries of the Chinese Government, including the Foreign Ministry, and several provincial governments have refused to be loyal to the Li Peng regime. Liu Binyan also told the students that Zhao Ziyang, former CPC general secretary, who had resigned 2 days before, would soon be rehabilitated." These rumors spread by Liu Binyan clearly showed that he is a man with ulterior motives.

On 28 May, Liu Binyan dished out in Taiwan's CHINA TIMES a reactionary article: "The Last Stake of the Public Enemy," openly waving flags and shouting battle cries for the disturbance in Beijing and inciting the "democrats and reactionaries within the CPC to categorically stand up and to form an independent political force with the nongovernmental and nonparty statesmen." The reactionary intrinsic quality of Liu Binyan who vowed to be an enemy of the CPC and the Chinese people here was thoroughly exposed.

An Anticommunist and Anti-China Bugler

After Beijing put down the counterrevolutionary rebellion, being flustered and exasperated, Liu Binyan has desperately wagged his tongue to add fuel to the flames of the anti-China tide fanned by the Western world and has become an earpiercing tweeter in the international anticommunist and anti-China chorus.

Liu Binyan has been interviewed by the American propaganda media on many occasions and in coordination with the propaganda machines, including the "Voice of America," has launched rumor and public opinion attacks on our country, done his utmost to exaggerate such rumors as "plunging Tiananmen in a bloodbath," and instigated some people of the West and Chinese abroad to condemn and oppose the government of our country. What especially attracted people's attention was that in the period of his visit to Hong Kong from 18 to 26 June, he played the part of an anticommunist and anti-China henchman of the international reactionary forces.

On 18 June, no sooner had he arrived in Hong Kong he openly announced "self-exile" and asserted that he would remain in the United States in exile. At the press conferences of Chinese and foreign reporters and on the other occasions in Hong Kong, he used the extremely venomous language to madly curse our party, government, and state leaders, cursing: "If this clique is not wiped out, Mainland China cannot stand up," and did his best to incite people to overthrow the leadership of the CPC and to subvert the legitimate government of our country. He has encouraged time and again the "democrats" within the Communist Party" to be "independent" publicly, to "contend with" and replace it. What

are "democrats?" He said: "China has not and also does not allow a political party really outside the Communist Party" but "there is a relatively realistic force in China that can contend with the Communist Party and it is the democrats, perhaps called a healthy force, within the Communist Party. It can be seen at all levels, ranging from the central authorities to the localities. Before I was expelled, I had been such an element." This really lays bare the truth with one penetrating remark. The "opposition faction" and "opposition party" on which he originally pinned his hopes are those "Liu Binyans" that go for bourgeois liberalization.

Liu Binyan brazenly instigated activities aimed at splitting the motherland and wantonly clamored that "people abroad should support the emergence of a division of power and independence on the mainland, so as to weaken the strength of the ruling group of the CPC," and that "if three provinces can be independent, there will be room for the Chinese democratic fighters to stay or take refuge."

With ulterior motives, he sowed dissension between Hong Kong and the motherland. In his televised speech delivered on behalf of the Chinese Government on 22 June, Ji Pengfei, director of the Hong Kong and Macao Affairs of the State Council, reiterated that the Chinese Government's principles and policies toward Hong Kong and Macao remained unchanged. On 25 June, Liu Binyan said openly in Hong Kong that "a Beijing official said a few days ago that 'no one is permitted to use Hong Kong and Macao as a base to subvert the central people's government'" and that this shows that the Hong Kong people have done a very good job of this, which constitutes a danger to the central people's government." The next day, with the malicious intention of sabotaging the great cause of the reunification of the motherland, he tried again to incite Hong Kong compatriots during a televised interview, saying: "Hong Kong was not a so-called counterrevolutionary base a few months ago. Was the Chinese Government friendly to Hong Kong? Will Hong Kong be safe after 1997?" He also dissuaded the Hong Kong merchants from doing business with the mainland, saying that they should not be shortsighted and confine their scope to just a few small fry."

Furthermore, on 20 June, Liu Binyan called on foreign reporters to urge the Western countries to impose the strictest economic sanctions on China and stop giving loans to and doing business with China and also to urge the United Nations to take political restrictive measures against China. On 22 June, he also openly denounced the Japanese Government for acting differently from some large Western countries, saying that Japan was "detestable." He even warned the Japanese Government: "Continuing to do business with China now means continuing to commit a crime, and those involved will be called to account." This proved that Liu Binyan is not only a reactionary against communism and socialism, but also scum who has betrayed his motherland.

For his 10-day performance in Hong Kong, Liu Binyan won unanimous acclaim from the Taiwan Kuomintang authorities and some reactionary forces abroad. On 26 June, the Taiwan "Internal Affairs Ministry" announced that "prodemocracy personages on the mainland" were permitted to visit Taiwan and that the department concerned had made a namelist of "mainland prodemocracy personages" staying abroad who were to be invited to Taiwan. Liu Binyan's name was on the list, of course. Hong Kong's MING PAO carried this news the next day, under the title: "Taiwan Accepts Prodemocracy Personages, Liu Binyan and Yan Jiaqi Are Preferred."

During his stay in Hong Kong, Liu Binyan joined the gang of Yan Jiaqi, Wuer Kaixi, and other criminals who were wanted by the Chinese public security organ. On 13 July, Liu Binyan flew from the United States to Paris specially to join Yan Jiaqi, Wuer Kaixi, and Wan Runnan. After careful planning, they jointly released a written proposal in Paris on 20 July, initiating the establishment of a reactionary organization, the "Front for Democracy in China," which called for the overthrow of the Chinese Government and the socialist People's Republic of China. During an interview with reporters on the same day, Liu Binyan openly clamored: "Our failure this time does not mean that we will not adopt this method in the future. We may also act in other ways."

With the support of hostile forces abroad, the group who staged the farce of the "Front for Democracy in China" embarked upon a political venture in Paris on 23 September. The "inaugural meeting" attacked the leadership of the Chinese Communist Party and the socialist system time and again, wildly clamored for the overthrow of the Chinese Government, and openly asked the Taiwan Kuomintang to give them financial aid and even lead them in carrying out antigovernment activities. At that time, Liu Binyan was carrying out activities in Britain. He specially sent a recorded tape from London to the meeting, saying that "although he could not participate in the leadership work of the 'Front of Democracy for China,' he would continue to assist in accomplishing its task in his own way." The little tricks played by Liu Binyan, Yan Jiaqi, Wuer Kaixi, and others cannot hinder even slightly the victorious advance of the Chinese people along the socialist road under the leadership of the Chinese Communist Party. Any attempt by hostile forces abroad to turn China into a dependent nation, and any plot of the hostile forces at home to reverse the verdict on the riots and counterrevolutionary rebellion or to stage a "comeback" will inevitably go completely bankrupt.

A Pawn Loyal to the "Peaceful Evolution" Strategy

Liu Binyan is quite a "famous" person and is called by some foreign newspapers and magazines a "star" and the "conscience of Chinese society." In China, some people have also extolled him as a famous reporter, noted writer, thinker, and so on. In 1985, he published an article entitled, "Loyalty of the Second Kind." In this

article, he advocated a so-called "highly critical spirit," and the "highest degree of loyalty," that is, "loyalty of the second kind," with which a person dares to "criticize" party organizations and even the party Central Committee and Mao Zedong and will "not regret it even if he has to die nine times." At one time, a "Liu Binyan whirlwind" was stirred up abroad.

A reactionary magazine called CHIU SHIH NIEN TAI in Hong Kong carried in its March 1986 issue an article entitled, "Liu Binyan: An Extraordinary Phenomenon in China." This article commented: "He has been 'airing his views' for several years, beginning with 'Between Men and Evil Spirits' and most recently with 'Loyalty of the Second Kind' and 'The Past and Present of an Old Castle.' Now he is 'airing his views' more deeply, bitterly, and thoroughly. He has become a conscious and mature fighter. He is good at making use of the climate and terrain and dealing out the most powerful blows at the most favorable moment." This passage is like a mirror which clearly reflects the features of Liu Binyan! Let us put aside all this for the time being and just talk about the fabricated materials used by Liu Binyan in "Loyalty of the Second Kind." He described and extolled a person of the Shanghai Sea Transportation College, a "rebel" during the "Cultural Revolution" and a residual evil element of the "gang of four" as displaying the typical characteristics of a person who has the "highest loyalty," who "most firmly supports the party's line laid down at the 3d Plenary Session of the 11th CPC Central Committee, and who has dedicated himself to the four modernizations and reforms." This person is Ni Yuxian, who went to the United States in the beginning of 1986. As soon as he arrived there, he expressed views attacking the Chinese Communist Party and socialism in China. Later he became a member of the "Chinese Alliance of Democracy." This year, he followed Wang Bingzhang and his like and set up another reactionary organization called the "China Democratic Party." He is one of the initiators and signature collectors of the notorious "Declaration Demanding Democratic Reforms on the Mainland of China." On 8 February 1989, he again set up in the United States a "Liaison Group for Promoting Democratization in China." With his reactionary words and deeds, Ni Yuxian has irrefutably proved what kind of trash the "loyalty of the second kind" advocated by Liu Binyan is.

Now we come to Liu Binyan himself. His disgusting conduct in betraying the motherland, throwing in his lot with reactionary forces abroad, and opposing the Communist Party and socialism has constituted a most realistic and explicit footnote to the "loyalty of the second kind" that he advocates. People can only regard Liu Binyan as a pawn loyal to the strategy of the "peaceful evolution" of the international monopoly capital, an advocate loyal to anticommunist and antisocialist forces at home and abroad, and the scum of the Chinese nation.

Wang Ruowang Criticized

OW0111050189 Shanghai WEN HUI BAO in Chinese
20 Oct 89 p 3

[Article by Shi Jingping (0670 7234 5493): "Unmasking Wang Ruowang in His Disguise as 'Fighter of the Imperial Guards'"]

[Text] Turmoil and counterrevolutionary rebellion broke out in Beijing at the turn of spring and summer this year. Turmoil also broke out in Shanghai. The causes of these disturbances were many, but the fundamental cause that triggered them was the ideological trend of bourgeois liberalization which seriously ran rampant. Ideological and political work was undermined by the passive handling of the four cardinal principles on the part of our party's leadership at the higher levels in recent years. As a result, those who had long and obstinately persisted in bourgeois liberalization were instigated to repeatedly stage choruses against the CPC and the socialist system over a long period of time. An "actor" who sang in a shrilly high-pitched tone in the chorus was Wang Ruowang, who called himself the "patriarchal forefather of bourgeois liberalization."

Wang Ruowang declared himself a "fighter of the imperial guards of the Communist Party."

"The imperial guards" are the troop unit closest to the high-level leading group and the state's leaders and which is responsible for safeguarding their security. To be eligible for such a unit, the troops must be well equipped, well trained, and have boundless loyalty. The title itself is an honor. One must, at least, meet the following three conditions to deserve the title of "fighter of the imperial guards of the CPC." First, boundless loyalty to the party and the motherland; second, staunch faithfulness to the objectives and ideals for which one fights; and third, lofty moral character and attainments. To measure Wang Ruowang by the above-mentioned requirements would indeed make one feel like "trying to go south by driving a chariot north."

From Preaching "Running a Government by Doing Nothing That Goes Against Nature" to Vainly Attempting To Topple the Party's Leadership

Although Wang Ruowang was known by his profession as a writer, his "reputation in the world" was established not by any first-rate work he had written but by his activities, which some people described as befitting a "fighter for democracy."

Wang Ruowang published an article, entitled "On 'Running a Government by Doing Nothing That Goes Against Nature' in the Field of Art and Literature," as early as 1979. He preached "running a government by doing nothing that goes against nature" to confront the party's policy on art and literature in order to get rid of the party's leadership over art and literature. In the article, he said: "Countries under the leadership of the proletariat attach particular importance to leadership over creative writing

in the field of art and literature." However, due to "ignorance of the characteristics of art, they often blindly give directions in violation of the laws and patterns of art." He further elaborated on this point in 1980 in an article entitled "Worries Accompanying the 'Attaching of Importance.'" TV drama enjoyed relatively rapid development while the film industry was not faring so well at that time because of various reasons. Wang Ruowang said: "As TV drama is flourishing more than other endeavors this year," some newspapers call for attaching more importance to TV drama. "After reading these reports, I cannot help being worried" "because if all the grandfathers and grandmothers (that is, leaders of the party at all levels—note by the writer who quotes these passages) 'attach importance,' TV drama will face the same situation as that faced by the film industry." "The fact that TV drama flourishes more than other endeavors" "has something to do with the fact that it experienced less interference during its infancy from leaders in charge of culture and ideology because they did not have the time for such things yet." This is the basic "theory" of Wang Ruowang: Without "interference" from the party, all fields of endeavor will prosper and flourish. As soon as the party takes over administration and control, they wither and even retrograde.

Naturally this kind of "theory" preached by Wang Ruowang came under fire. However, under the extremely abnormal climate at that time when "the more one is criticized, the more fragrance and charm one exudes," Wang Ruowang was swollen with arrogance. Like one who is possessed, Wang Ruowang went everywhere to deliver reports, write articles, and attend saloon discussion meetings, preaching his viewpoint of bourgeois liberalization. Such activities culminated in the late 1980's with a great number of his articles and speeches being published abroad. He assumed the outward appearance of having great concern for the state and the people while attacking the party in every aspect and virtually all its policies under the banner of "reform" at that time. Concerning "public ownership," he maintained that it was the origin of all sorts of ills and malpractices. Concerning the fact that the economy in our country is still comparatively backward, he said that "it is because of the mistakes made by the party's leadership" and that "the whole country and the whole nation suffer calamities together with the party" regardless of historical conditions and without making any analysis. Moreover, he said, all these mistakes were "because Mao's problems have not been criticized yet." That was not all. He attacked Comrade Deng Xiaoping, calling him a "backstage ruler who relinquishes his crown in favor of his son or a successor" and saying that "the time for the 1.1 billion people to obey a sovereign monarch is over." He said that the policy of the party to strive for common prosperity is an "obstacle to reform." He discredited the call for building the two civilizations as "impossible." Regarding the call for opposing bourgeois liberalization, he said "it is no different from the same old 'left' stuff of Lin Biao and 'the gang of four.'" He said that when the party stressed "stability and unity," it "causes tens of thousands of horses to become

mute all at once". His arrogance reached the extent of being extreme. In Wang Ruowang's eyes, nothing was right with the Communist Party. If the Communist Party continues its leadership, China will be finished. What should be done about it? The only way out is for the Communist Party to step down and let them, the "elite," "rule."

When the turmoil broke out at the turn of spring and summer this year, Wang Ruowang believed that the time had come. He could not suppress his impatience. He went into battle stripped to the waist, organizing, plotting, and directly taking part in all kinds of activities aimed at overthrowing the Communist Party.

On 15 April Comrade Hu Yaobang suddenly passed away. Students of some universities and colleges took to the streets. Wang Ruowang was wild with ecstasy, saying: "Now the good show is on. The day I have been looking forward to has come at last." In his ecstasy he laid bare the secret with one profound remark: "How come the death of Hu Yaobang can evoke the passionate emotions and mourning of so many people. Actually, people are all using him as a pretext to pursue their own ends. We can be sure of one thing. This time, the student movement is aroused; it is insuppressible. The true nature of the turmoil is that it is a political movement."

Some innocent people were consistently reluctant to believe that the turmoil was being used by an extremely small number of people. After reading the above, these good people should realize the situation! Wang Ruowang and people of his ilk thought that a big change was going to take place and that they were going to take over political power! He busily wrote an "emergency call" to support the students on a hunger strike, took part in demonstrations in a white mourning costume, accepted interviews by domestic and overseas reporters, and made speeches. He was very busy!

On 21 May, the second day after Premier Li Peng announced the imposition of martial law in parts of Beijing area, some people continued to march in Beijing and Shanghai. Wang Ruowang told his confederates: The situation is more than promising. I anticipate even greater changes, now that workers and citizens all take part in this. They (author's note: the party and the government) will not last very long. Right now (they) have only two choices: One is to immediately open a dialogue. However, this time the dialogue will not come so easily as the last two ones. There will be preconditions for it. Yan Jiaqi, Fang Lizhi, and even Zhao Ziyang may be asked to show up. Actually it is going to be a roundtable conference. The second choice is to pit themselves against the people if they refuse to talk and stubbornly insist on military rule. In that case, the scene of French revolutionaries attacking the Bastille may well be reenacted here. And they will become China's 'Chon Tu-hwan' or "'Marcos.'"

By Wang Ruowang's estimate, the Communist Party of China was bound to collapse after the turmoil. Who then

would take the helm in the future? Wang Ruowang said: "Some people are worried that, with the party disintegrated and all the cadres gone, what is China going to do? Such worries are really unnecessary. Yan Jiaqi and Fang Lizhi are both politicians. In addition, there are many capable young successors now, like Wang Dan. At least, we still have someone like Zhao Ziyang!"

With such wishful thinking on the forming of a new leadership, Wang Ruowang began intense efforts to press for the leadership's rise to power. He said: "There have been changes in the Beijing situation. It is necessary to set up an organization also in Shanghai to come up with some ideas or measures for the work. We cannot just stand by and do nothing." He wasted no time and immediately made some phone calls asking people to draft a "letter of appeal" or issue a "notice," and started a signature campaign. In his opinion, all they had to do was to make an "appeal" or issue a "notice," or "sign names," and they could topple the CPC and ascend to the throne of power and celebrate.

It was a logical development that Wang Ruowang went from preaching "governing by doing nothing" to attempting to overthrow the Communist Party's leadership. However, when one goes against the trend of history one will inevitably come to a disgraceful end! Comrade Deng Xiaoping and other proletarian revolutionaries of the older generation, who resolutely supported the correct decision of the majority of the Standing Committee members of the Political Bureau of the CPC Central Committee and who led the whole party, Army, and people of the nation in making vigorous efforts to turn the tide, crushed the conspiracy of the "elite" and shattered their dreams, and made them, the hypocritical "elite," reveal their true colors.

From the Theory of "Taking Remedial Lessons" to the Theory of "State-Run Businesses Being a Public Disaster"

What on earth were Wang Ruowang and those "elite" trying to achieve in attempting to overthrow the Communist Party's leadership?

Among Wang Ruowang's many statements on politics, one theory stood out, that is, the theory of "taking remedial lessons." The so-called theory of "taking remedial lessons" called for making up for the missed lessons in capitalism in China.

In 1986, at "the Second Symposium on Technological Revolution and Structural Reform," Wang Ruowang said: We are practicing socialism, aren't we? Yet, our conception of socialism is vague and ambiguous. Some of it derives solely from our imagination of socialism and more is based on fictitious patterns.... "Capitalist-style production is exactly what China needs." "We can make up for the missed lessons now." After that, he talked about issues whenever he had the chance. On 26 June 1987, a reporter from a Hong Kong magazine interviewed Wang Ruowang. He told the interviewer that he, "after some research," had written an article entitled "A

Study of Leftism." "One major point of the article extremely outraged the ultraleftists, that is: China hoped to implement socialism. But it failed, and returned to feudalism. In the meantime, we are also bypassing the capitalist stage." Therefore, China needs to take remedial lessons in capitalism. He also said: "To reform" is to "take remedial lessons" and "adopt capitalist-style production." In his view, China has no other alternative but to pursue total Westernization and take the capitalist road.

Why didn't China follow the capitalist road, will capitalism work in China, and is it necessary, as Wang Ruowang claimed, that China revert to capitalist-style production? Even some Taiwan residents can answer these questions. A Taiwan magazine article, entitled "A Review of the Mainland Group in Favor of Westernization Based on 'River Elegy,'" stated: "China was once a semifeudal and semicolonial society. When China broke the grip of thousands of years of feudalistic rule at the turn of the century, the world was already under the feet of capitalist imperialism. With Chinese society lacking adequate capital as well as the ability to accumulate capital on its own at the time, capitalism failed to smoothly replace the feudalistic economic system in China. With the interference and oppression from imperialist forces, China's capitalism was deprived of the opportunity for normal development." The article pointed out: "It was not because of purely subjective thinking that China never chose to take the capitalist road. There were objective and inexorable reasons. In a backward society like China with low production levels and an urgent need to sustain the masses, the only way not to be exploited is to pool together the limited social resources, including the productive forces, consisting of human and material resources, and to liberate them from the shackles of old production relations and to use them with special emphasis."

Because he advocated capitalism, Wang Ruowang naturally had to negate the socialist system. One of the major characteristics of socialism is the system of public ownership of the means of production. Wang Ruowang and the rest of the "elite" clearly understood that negating public ownership was tantamount to "capturing" the last front of socialism. Therefore, for years, they attacked public ownership whenever they could and called it the source of all errors, and even crimes.

In July 1987 Wang Ruowang published in a Hong Kong magazine an article, entitled "The CPC Must Eliminate the Drawbacks of 'State-Run Businesses as a Public Disaster.'" The article indiscriminately blamed bureaucratism, "officials appropriating public property, using public office for private gain, allowing personal business take precedence over official business, and misusing official post to attain personal ends," "people's laziness," "unhealthy social trends," and so forth on public ownership.

Those who have read just a little about Marxism know that: In capitalistic society, there is a sharp conflict

between socialization of production and private ownership of the means of production. In "The Principles of Communism," Engels said: "Competition and privately-run industrial production have become fetters of major industry." "That is why the communist demand for abolition of private ownership is absolutely correct." In "Manifesto of the Communist Party," Marx and Engels said: "Contemporary capitalist private ownership is built on class contradictions and is the perfect example of one group of people exploiting another by gaining monopoly on production and products." Building an economic foundation on the elimination of private ownership and the establishment of public ownership is an important means to end exploitation.

Of course, how to run and manage things after public ownership is implemented is an extremely complicated and difficult task which needs constant practice and exploration. But anyhow, the public ownership economy has already demonstrated its superiority. After the nation's founding, it is exactly because we distribute resources in a planned way and rationally pool together human, material, and financial resources, accompanied by macro-control in launching large-scale socialist economic construction, that we are able to build independent and relatively complete industrial and national economic systems. In just 40 years we have achieved in China what would take 100-200 years to accomplish for an imperialist nation, and to turn a poor and backward country into a socialist nation enjoying its initial success and prosperity. We sustain more than one-fifth of the world's population on only 7 percent of the world's cultivated land. Our nation's gross national output has already risen to the world's eighth highest. The output of some of our major products already ranks among the world's highest. However, because we have too many people, our per capita income still lags behind that of many nations in the world. On this issue, even some people in capitalist nations understand that it is far from easy to rule a big country with a 1.1 billion population. Yet, people like Wang Ruowang choose to ignore the superiority and viability of the public ownership system and the many difficulties created due to objective conditions and persistently attack and disparage the system. This only betrays his ulterior motives.

Wang Ruowang, like all others who stubbornly advocate bourgeois liberalization, also talked endlessly such nonsense as that the system of public ownership "makes people lazy." Such a viewpoint was criticized as early as 100 years ago. Some people said at that time: "Upon the abolition of private property all work will cease and universal laziness will overtake us." In response to this viewpoint, Marx and Engels said: "According to this, bourgeois society should have long ago gone to the dogs through sheer idleness, for those of its members who work, acquire nothing, and those who acquire anything, do not work." (Manifesto of the Communist Party) Laziness is a problem that exists in all societies, not a product of the system of public ownership.

People like Wang Ruowang will never understand that the system of public ownership is the foundation on which a lofty society with a high level of culture is built. In a lofty society, the relationship among people is one of mutual assistance, friendship, and love, not one of mutual conflict and exploitation. In a lofty society, a society with a high level of culture and morality, free of any ugly phenomena, the people should be working people who have lofty ideals, moral integrity, education, and a sense of discipline, and who live both a rich material life and a lofty cultural life. Such a society can be founded only after the system of private ownership is replaced by a system of public ownership. Since in capitalist society at present the means of production are still monopolized by some people who rely on what they own to exploit others, how can it be called a lofty society?

On the one hand, Wang Ruowang did his utmost to attack the system of public ownership, describe its "harms" as too numerous to record, and would even "shed bitter tears when mentioning the harmfulness of public ownership." On the other hand, he did all he could to oppose the building of spiritual civilization, which is indispensable for public ownership. In his article, "On the Party, the Country, and Myself," he said: "As soon as the party adopted the resolution on building 'spiritual civilization,' I wrote an article in which I deemed it a bad omen signifying the rise of leftist forces." With such biting sarcasm, he opposed the "simultaneous building of the two civilizations."

According to him, material civilization and spiritual civilization cannot be built at the same time, and building spiritual civilization is inevitably linked with "leftism." This is indeed an absurdity which no normal person can understand. Socialist spiritual civilization is an important expression of the superiority of socialism, as well as an important indicator of the difference between socialism and capitalism. Stepping up the building of socialist spiritual civilization will ensure the correct orientation of socialist construction and become a motive force for building material civilization. Unless we build a high degree of socialist spiritual civilization, we will be unable to build a high degree of socialist material civilization. Unless we overcome the deep-rooted notion of private ownership formed over several 1,000 years, there will be no guarantee for the establishment of the system of public ownership. This shows that Wang Ruowang opposed the building of spiritual civilization in order to negate the system of public ownership and negate the socialist system based on the system of public ownership.

Over these years, it was the nonsense spread by Wang Ruowang and other stubborn bourgeois liberals which confused people's thinking, demoralized people, and dampened people's enthusiasm for work. Wang Ruowang endorsed the idea of "putting money above all else" and defended those who handled money matters in

a questionable way. He specially wrote an article, entitled "An Analysis of the Spirit of Fearing Neither Hardship Nor Death," in which he described this morale-boosting slogan as "unscientific and inhuman." He also wrote many articles to defend some literary and art works that had a bad social effect. He said that to emphasize the social effect of literary and art works is to use the big stick to repress the freedom of writers to write. As a result of his articles, there have been more and more literary and art works with poor and evil contents, greatly polluting the minds of people, particularly young people.

For many years, Wang Ruowang used his instigative tongue and his pen to engage in antiparty, antisocialist counterrevolutionary incitement. His fallacies once won some people's praise and the cheap applause of some childish young people. Today, his tricks have been laid bare and he will eventually be punished by law. There is one question—what should those who once praised and applauded him do now? In my view, they should draw a little lesson, sum up some experience, and study some Marxism-Leninism-Mao Zedong Thought so as to

Police Confiscate Dissident Manifesto

HK0211115789 Hong Kong AFP in English
1139 GMT 2 Nov 89

[Text] Beijing, Nov 2 (AFP)—Police were deployed to snatch copies of a overseas dissident manifesto from facsimile machines in Beijing before they could be seen by the Chinese public, informed sources Thursday said.

The manifesto, written by leaders of the Paris-based Federation for Democracy in China (FDC), was sent out Saturday (Beijing time) by a French magazine to facsimile machines throughout the country.

But few got into the hands of common Chinese, as police officers turned up at facsimile-equipped offices to take the manifestoes away as soon as they came out of the machines, the sources said.

The offices included joint-venture businesses and hotels, they said. No police went to embassies or foreign news bureaus which also got the facsimile.

The plan to mass-fax the manifesto—adorned with the masthead of the Communist Party newspaper PEOPLE'S DAILY—had been announced in advance last Thursday at a Paris press conference.

Jean-Francois Bizot, publisher of ACTUEL magazine, said the "Fax Freedom in China" project was expected to reach 5,200 facsimile machines across China. Their numbers are listed in phone books commercially published in Hong Kong.

The project enraged the Chinese authorities, who Tuesday summoned a French Embassy counsellor to the

Foreign Ministry to protest what it called "an undisguised act of subversion against China conducted by French news media, with the connivance and support of the French Government."

The manifesto was signed by five leaders of the FDC including Yan Jiaqi, a former aide to ousted Communist Party chief Zhao Ziyang, and Wuer Kaixi, a leader of last spring's student democracy protests in Beijing.

Both fled China after the June 4 Army suppression of the democracy movement.

The manifesto announces the founding of the FDC and calls upon Chinese to join forces in a "great struggle for human rights, peace, tranquility and development of all mankind."

"One-fifth of humanity now finds itself living under an unprecedented regime of terror and tyranny," it said.

Many Chinese are already aware, through attacks in the official press, of a bogus issue of the PEOPLE'S DAILY that was also produced in Paris by FDC members. The overseas edition of the real PEOPLE'S DAILY denounced it on October 24 as "out-and-out literary rubbish."

'Counterrevolutionary' Activities in Beijing Cited

HK0211074189 Hong Kong CHENG MING in Chinese
No 145, 1 Nov 89 p 13

[Article by "special" correspondent Chang Chuan (1603 1557): "'Reactionary' Posters and Explosives Are Brought to Beijing Continuously"]

[Text] The CPC top leaders were extremely nervous when celebrating black "National Day." On the surface, the situation was tranquil, but many startling events unknown to outsiders still occurred.

In order to strictly ensure that the "National Day" would pass peacefully, the authorities mobilized 60,000 Army troops and 30,000 Armed Police (including more than 10,000 people transferred from Tangshan and Jinan, and including some firemen), 20,000 local policemen, and nearly 100,000 workers from large industrial and mining enterprises for protecting factories and mines, and assisting the police in maintaining law and order.

In spite of such strict security measures, more than 30 cases of "reactionary" posters and "counterrevolutionary" letters were still discovered during the "National Day" period. On the evening of 30 September, the public security policemen intercepted a van carrying 12 kg of explosives on the highroad between Beijing and Tianjin in the east of Tongxian, and three "criminals" were arrested on the spot.

Because of these events, from 2300 on the evening of 30 September to the end of the fireworks on the evening of the "National Day," all vehicles, including military vehicles, passing the main roads to Beijing were strictly

examined. As a result, dangerous articles were discovered in 13 vehicles, and 21 people were arrested.

On the early morning of 10 October, a Kuomintang flag, 1.5 meters long and 1 meter wide, was placed inside Zizhuyuan Park in Beijing. Citizens who came to the park to do morning exercises discovered the flag and reported this to the police. The personnel from the Haiding District branch of the Public Security Bureau came to the park and took the flag away at about 0800.

This case has been cracked. The flag was placed there by three students of the middle school affiliated to an art college. It was said that these students were "rebels" who had participated in the Tiananmen Square turmoil, and they conducted "counterrevolutionary" activities in an organized and planned way. They not only placed a Kuomintang flag they had painted in Zizhuyuan Park, but also placed such flags and Li Teng-hui's portraits in Taoranting Park, Yongdingmen Railway Station, and on a billboard in Xidan.

In addition, more and more overseas postal matters were discovered to contain "reactionary" materials and publications, and customs officers and public security personnel are very busy checking such things.

It is rumored that there were 50 "counterrevolutionary organizations" in Beijing, and 17 of them have been cracked. Some of these organizations were set up by students returning from foreign countries, and some were directly manipulated by secret agents from the outside world. In Changping, a county in the northwest part of Beijing, an organization which called itself the "Beijing Branch of the Three People's Principles To Save China" was cracked. It was secretly organized by 2 returned students and had 28 members. It was so far, the largest organization to be cracked. Other organizations may have only two or three members.

Although the CPC regime temporarily stabilized the situation with the help of guns, the officials at various levels still could not set their minds to rest. Measures must be taken to ensure the security of the senior officials, especially the senior military officials. Beginning 1 August, more guards were assigned to protect the security of the residences and families of the officials at and above the level of the Political Bureau member and the Central Military Commission deputy secretary general.

These people were guarded and protected in three layers. The first layer consisted of their bodyguards who always closely followed them; the second layer consisted of the guards regiments; and the third layer was formed by the martial law troops standing guard around the residences.

The martial law troops responsible for the security of the residences of the central leaders wore red armbands at night. Two soldiers acted together as a group, with their rifles loaded with real bullets. Patrol teams were also on duty around the clock.

However, the strict security measures could not guarantee peace for the big shots. Up to 29 September, Yang Shangkun, Li Peng, Wang Zhen, and Chen Xitong had received many threatening letters. Yang Shangkun's office even received two small gifts—two pieces of bullets. Chen Xitong received several threatening letters which read: "Good will be rewarded with good, and evil with evil. Rewards will come when there is the opportunity."

This was widely circulated among CPC senior cadres, especially among senior cadres in the Army, and deeply upset them.

Li Ruihuan Addresses Zhongnanhai Conference

OW0211134689 Beijing Domestic Service in Mandarin
1030 GMT 21 Oct 89

[From the "National Hookup" program]

[Text] At Zhongnanhai on the morning of 21 October, central leaders warmly received representatives to the meeting on political work held by the Ministry of Geology and Mineral Resources. The leaders expressed their respect for comrades of geological departments who have worked in the field for years, and extended greetings to the representatives.

The meeting on political work sponsored by the Ministry of Geology and Mineral Resources, which concluded on 21 October, pointed out once again that it is necessary to promote in a big way the spirit of taking pride in dedicating oneself to geological work, exhibiting thrift and hard work, and contributing to the discovery of new mineral resources.

Li Ruihuan, member of the Standing Committee of the Political Bureau of the CPC Central Committee, told the representatives: [Begin recording] At present, strengthening ideological and political work is an important component and basic policy for criticizing bourgeois liberalization and upholding the four cardinal principles. It is also the most fundamental characteristic that distinguishes our socialist system from all other systems, as well as a traditional advantage of our party. We must uphold and carry it forward. The question of whether it is necessary or not to strengthen ideological and political work is a long-standing point of contention between Comrade Zhao Ziyang and us. We believe that in a country such as ours, we will not be able to achieve our ultimate strategic goals if we dispense with ideological and political work and instead rely solely on material incentives. Certainly, we do not deny that problems exist with regard to specific methods. However, only in the course of steadfastly carrying out ideological and political work will we be able to discover and improve the methods of ideological and political work that are suited to the conditions in various fields. Comrades in geology and mineral resources departments and their contingents of ideological and political workers, which have a long, glorious tradition in ideological and political work, will develop many good experiences in this regard to facilitate this work nationwide. I am confident that a new

formula for ideological and political work, such as the one advanced by Comrade (Ren Daguang) calling on geological workers to taking pride in dedicating themselves to geological work, exhibiting thrift and hard work, and making contributions to discovering new mineral resources, will play a great role in the new period. [applause] [end recording]

Li Peng, Li Tieying Praise University

OW2410141489 Beijing Domestic Service in Mandarin
1030 GMT 23 Oct 89

[From the "National Hookup" program]

[Text] Premier Li Peng recently wrote an inscription to greet the 10th anniversary of the founding of the Central Radio-Television University.

Li Peng's inscription reads: Strive to run well the Radio-Television University, train more outstanding talents for socialist construction.

The establishment of the Central Radio-Television University was personally approved by Comrade Deng Xiaoping in February 1975.

At present, the Central Radio-Television University is geared to the needs of students throughout the country. It has opened courses in the four fields of science and engineering, liberal arts, economic management, and agriculture with 21 professional departments at college level. Various local radio-television universities have opened courses in more than 130 professional subjects.

During the past 10 years, the university has had a total enrollment of more than 1.61 million regular students and dispatched about 1.05 million graduates to various fronts of the whole country. The university has also trained more than 2 million students who did not pursue degrees. Facts have proved that the Radio-Television University has become an important component part of our country's higher education and is an effective way to raise the scientific, technological, and cultural level of the broad masses of laboring people in urban and rural areas.

Li Tieying, state councillor and minister in charge of the State Education Commission, wrote an article on 18 October. The article pointed out: Running well radio-television universities is an important task in our country's educational work. He pointed out: In order to run well radio-television universities, we must strengthen the building of party organizations and leading groups for schools, adhere to the socialist orientation, keep to the four cardinal principles in all work, and oppose bourgeois liberalization with a clear-cut stand.

He stressed: In order to run well radio-television universities, we must, in the light of uneven development of economy and culture in various localities and different needs of trained people in different places, pay attention

to developing the advantageous position of radio-television universities, rely on the support of the society, strengthen lateral ties, and have radio-television universities play a greater role in our country's educational work.

Li Peng Signs Radiation Protection Decree

OW0211065889 Beijing XINHUA Domestic Service
in Chinese 1309 GMT 1 Nov 89

["Local Broadcast News Service"]

[Text] Beijing, 1 Nov (XINHUA)—To step up supervision and management over protection against radioisotopes and radiation from beam installations and to ensure the health and safety of those whose work involves radiation as well as that of the public, State Council Premier Li Peng on 24 October signed into law the 44th State Council decree and promulgated the "Regulations Governing Protection Against Radioisotope and Beam Installations."

The "regulations" stipulate: From now on, the state will implement license registration in connection with radiation work. Radiation protection facilities in all radiation work places either newly built, renovated, or expanded, must be inspected and approved after completion by health, public security, and environmental protection departments and receive license registration certificates before opening for use. Those involving the emission of radioactive waste in liquid, gas, or solid form, must submit environmental impact reports to environmental protection departments at the provincial, autonomous regional, or municipal level and obtain approval from them before applying for registration.

Regarding the management of protection against radiation, the "regulations" stipulate: Administrative departments are responsible for managing the protection against radiation from units under their individual jurisdiction. Protection facilities must be installed in places making, using, or storing radioisotopes, as well as in places manufacturing or using beam facilities. Radiation signs and necessary protection security interlocking mechanisms, alarm systems, or signals must be installed at the entrances to those places.

The "regulations" also provide for specific stipulations in connection with the management of radiation accidents, supervision over radiation protection, and punishment for violating the regulations. The "regulations" state: Those who breach the regulations and cause radiation accidents with minor consequences will be dealt with by public security agencies in accordance with the "public security management and punishment regulations"; those whose radiation accidents entail grave consequences and constitute a crime will be dealt with by judicial agencies.

Wang Zhen, Others Attend Memorial Ceremony*OW0211150689 Beijing Television Service
in Mandarin 1100 GMT 20 Oct 89*

[From the "National News Hookup" program]

[Text] A ceremony to pay last respects to the remains of Comrade Zeng Xianzhi, who was a loyal communist fighter, a long tested outstanding member of the Communist Party, an outstanding organizer and leader of the Chinese women's movement, a vice chairman of the Fourth Executive Committee and deputy secretary of the Leading Party Group of the All-China Women's Federation, and a member of the Standing Committee of the Fourth and Fifth National Committees of the Chinese People's Political Consultative Conference, was held in Guangzhou today.

Comrade Wang Zhen, vice president of the PRC, attended the ceremony and expressed sincere sympathy to the relatives of Comrade Zeng Xianzhi on behalf of the party Central Committee and the State Council.

Wreaths were sent by Jiang Zemin, Yang Shangkun, Li Peng, Wan Li, Li Xiannian, Peng Zhen, Deng Yingchao, Xu Xiangqian, Nie Kongzhen, Song Ping, Li Ruihuan, and Wang Zhen.

[Video shows Wang Zhen bowing before the portrait of Zeng Xianzhi and camera switches to show wreaths sent by Jiang Zemin and other leaders]

Liu Zhongde Recognizes Film Projection Units*OW0211131589 Beijing XINHUA in English
1055 GMT 2 Nov 89*

[Text] Beijing, November 2 (XINHUA)—Over 350 "advanced film projection units" and 105 model workers were rewarded here today for their contributions to the industry, the "GUANGMING DAILY" reported.

Addressing the opening ceremony of the National Film Distribution and Exhibition Conference, Liu Zhongde, deputy secretary general of the State Council, and Chen Haosu, vice minister of radio, film and television, spoke highly of their hardworking spirit.

The number of film projection units in China has increased from 640 in 1949 to the present 162,000, according to Hu Jian, director of the China Film Distribution and Exhibition Corporation.

Over the past 2 years, China has renovated 1,200 cinemas in cities, Hu said.

Zhao Fusan Refutes Rumor on UN, Security Posts*HK2410053389 Hong Kong TA KUNG PAO
in Chinese 24 Oct 89 p 1*

["A Letter by Zhao Fusan From Berlin Aimed at Refuting Rumor Is Published as Requested"]

[Text] Dear Editor,

I have recently learned that a certain magazine in Hong Kong published a report to the effect that apart from working for the Chinese Academy of Social Sciences, I was also a Chinese representative to the United Nations and vice minister of the Ministry of State Security. I was unable to stifle a laugh after reading the report. It is not difficult to discover that the report is absurd, and that the level of the magazine is miserably low. Since there are many men of insight both at home and abroad, I originally planned to ignore the report. However, after reconsidering the matter, I am concerned about the possibility that some people who are unaware of the truth might accept the report as being true, and that the rumor will spread unchecked. Therefore, I think it is necessary for me to clarify the facts. I understand that your esteemed newspaper has always been guided by the principle of impartial reporting. I venture to borrow a corner of your paper to publish my letter, so as to clarify matters to the public. I should be very grateful if my request is allowed. Wishing you smooth progress in your editorial work.

[Signed] Zhao Fusan

[Dated] 15 October 1989

Forum Held on Ideological, Political Work*HK0211071589 Beijing RENMIN RIBAO in Chinese
25 Oct 89 p 4*

[Report by Zhang Chaowen (1728 6389 2429): "Forum of Some Veteran Comrades in Beijing Stresses Need To Carry Forward Our Party's Fine Tradition of Ideological and Political Work"]

[Text] Beijing, 24 Oct (XINHUA)—At today's forum on carrying forward and developing the tradition of ideological and political work, the participating veteran comrades held that ideological and political work is still the lifeblood of all our party's work. The party's good tradition of ideological and political work should be further developed.

Since last winter, RESEARCH IN IDEOLOGICAL WORK has been carrying out a nationwide discussion on "how to understand the tradition of ideological and political work." People from all parts of the country have sent letters to the magazine to participate in the discussion. In their letters they have aired their views on the questions such as what is our party's good tradition of ideological and political work and how to carry forward and develop this good tradition? The editorial department of the magazine today invited some veteran comrades to the forum.

Kang Shien, member of the Standing Committee of the Central Advisory Commission and former state councillor, said that we must raise our understanding, unify our thinking, and strengthen ideological and political work in large and medium state enterprises. We must not

only realize its importance but must also have a sense of urgency, because the international hostile forces are attempting to realize "peaceful evolution" in the socialist countries. In building socialism with distinctive Chinese characteristics, large and medium enterprises owned by the whole people are important socialist positions. We must wholeheartedly rely on the working class and, with the large and medium enterprises as the mainstay, establish a large contingent of industrial workers who are capable of resisting "peaceful evolution," who have a high degree of political consciousness, and who are most capable of fighting.

Zeng Zhi, member of the Central Advisory Commission, said: In order to carry forward the party's good tradition, it is first necessary to acquire a correct stand and viewpoint of Marxism-Leninism and Mao Zedong Thought. Second, our ideological and political work must be linked to reality and must be carried out at the grassroots levels. We must rely on the masses. At the same time, we must remember that our ideological and political work is man's ideological work. Therefore, we must not merely talk with the masses and explain principles, but must help and show concern for them.

Duan Junyi, member of the Standing Committee of the Central Advisory Commission, Gao Yang, Guo Hongtao, Liu Jie, and Feng Jixin, members of the Central Advisory Commission, and Liu Shi, vice president of the Society of Research in Ideological and Political Work for Chinese Workers, also spoke at the forum. They all pointed out that it is necessary to strengthen ideological and political work and establish a contingent of ideological and political work cadres so as to educate the people with Marxism-Leninism and Mao Zedong Thought.

Yuan Baohua, member of the Central Advisory Commission and president of the Society of Research in Ideological and Political Work for Chinese Workers, said in his concluding speech: What the veteran comrades said at this forum is a summary of the nationwide discussion on "how to understand the tradition of ideological and political work." We hold that we should strengthen the party's ideological and political work and continue to adhere to one center and two basic points. The key role of the party organizations in enterprises should be affirmed. They must wholeheartedly rely on the working class. While implementing the system of plant director assuming full responsibility, all cadres must grasp both economic work and ideological and political work. Yuan Baohua required that all Communist Party members in enterprises should never forget the roles and missions of party members. They must be bold in blazing new trails and make advances step by step on the basis of carrying forward the party's good tradition of ideological and political work.

Conditions for Returning Students To Improve

HK0211014089 Beijing CHINA DAILY in English
2 Nov 89 p 3

[By our staff reporter]

[Text] China is to increase its efforts to attract students studying abroad to return to the country by improving their conditions when they do return.

Liu Jialin, head of the Circulation and Deployment Bureau with the Ministry of Personnel, said the ministry is mapping out management regulations on the provision of state funds for the scientific and technological activities of returned personnel of non-educational organizations.

The regulations are expected to upgrade the methods of aiding and subsidizing returnees in their research activities, Liu told CHINA DAILY.

According to Liu, preference will be shown to those newly-returned people who are promising, young, and have a low academic position and who could not normally expect to get funds from other channels.

Due attention will also be given to those working on major research projects.

In the future, returned students from abroad may apply to the Circulation and Deployment Bureau for money if they are short of research funds, Liu said.

Liu said that his bureau would set up short-term service centres in order to solve the difficulties the returnees face in their work and daily life.

"Their problems of pay, academic titles and couples living in different cities can be heard and addressed at these centres," Liu said.

The centres will be established mainly in scientific and technological research institutions and at big and medium-sized enterprises.

According to Liu, China has sent more than 70,000 students to study in 79 countries and regions including the United States, Soviet Union and Japan since 1949.

So far about 42,000 of them have returned to serve their country.

Among those who have returned, over 30,000 were sent abroad and financed by the state, and 11,000 returnees were aided by their work units.

The bulk of the returnees are now working in the fields of teaching and research.

The Ministry of Personnel, founded last year, has determined that the management of returned students is one of its main responsibilities.

The ministry draws up China's policies on the matter, sends personnel in non-education departments to study abroad, allots noneducation jobs for the returnees, helps them change their jobs to better suit their specialists and aids their research activities.

"In the past, we concentrated mainly on sending students overseas to study. Insufficient attention was paid

to the working arrangements and living conditions of the returning students, and this has had some adverse consequences," said Liu.

Scholars Urge Students To Contribute to Mankind

HK2510065589 Beijing RENMIN RIBAO in Chinese
18 Oct 89 p 1

["Dispatch" by reporter Xiao Guangen (5618 7070 2704): "Noted Scholars Su Buqing and Xie Xide Urge Students To Make Contributions to Mankind"]

[Text] Shanghai, 17 Oct—Yesterday, famous scholars, Professor Su Buqing and Professor Xie Xide, respectively answered letters by the first-year senior middle students of the No 1 Middle School attached to the East China Teachers' University on the questions of outlook on life. They expounded that a person lives to make contributions to mankind and to become one who is of value to the people.

When attending a political class, the first-year senior middle school student had a lively discussion on the outlook on life and held various views. Many students wrote to consult city party and government leaders, scientists of the older generation, and model workers. In their letters to Su Buqing, vice chairman of the National Chinese People's Political Consultative Conference [CPPCC], 10 students including Yang Bei asked the old grandpa many questions. Some asked: Now some self-employed workers earn more money than university professors do. What do you think of this? Some asked: My mother wants me to become famous and so do I. But what is the point in being famous? Some even put a straightforward question: You have certainly experienced trials and hardships in this world. What do you think of life? What does fame mean to you?

And three other middle school students who were perplexed about life wrote to Professor Xie Xide, chairman of the Shanghai Municipal CPPCC, earnestly hoping that she would give them advice and help them correctly understand life and establish a correct outlook on life.

These two old scientists, who were once presidents of the Fudan University and are still teaching there, are always concerned for the growth of young students. After reading the students' letters, they were deeply moved. Su Buqing thought: High school students are in a period of forming their outlooks on life and on the world. It is quite necessary to carry out education in the outlook on life. Schools, parents, and people from all walks of life also have this responsibility. We people have gone through several dynasties in history and seen much of the world. We also have much positive and negative experience. Telling these to young students in letters is a good means of education in the outlook on life. In reply to the high school students, our revered Comrade Su answered several questions they put in their letters.

Upon receiving the letter, Professor Xie Xide wrote to the responsible comrade of the middle school attached to

the East China Teachers' University the following day, hoping that the school will pay attention to this issue. She also answered the three students' letters yesterday.

CPC Reportedly Expands Spy Networks Abroad

HK0211034089 Hong Kong CHENG MING in Chinese
No 145, 1 Nov 89 p 17

[Article by "special" correspondent Tso Ni (1563 6627): "The CPC Is Expanding Its Spy Networks Abroad"]

[Text]

Police Academy Steps up Efforts in Training Spies

The senior level of the CPC and the Beijing authorities are very angry with the current activities of democratic forces overseas, and have decided to use various means to arrest wanted "criminals."

At present, Beijing's municipal public security department is training more than 30 special agents and dozens of "international students" in a police academy located in the southwest suburb of the city. This group of personnel will be sent to countries such as France and the United States at Christmas time. The mainland Chinese police are also planning to bribe some organizations in Western countries in order to utilize a third hand to undermine the democratic movement abroad.

On 13 October, the Ministry of State Security convened a meeting of chiefs of public security departments and public security bureaus from various localities; Ling Yun, former minister of state security, also attended the meeting. In this meeting, the problems of elements in the democratic movement abroad and of antagonistic forces overseas were thoroughly discussed and studied.

Increase Purchase of Equipment and Instruments From Foreign Countries

In order to enhance policing power, the CPC has decided to upgrade equipment, and to buy advanced instruments from foreign countries.

Not long ago, in the national meeting of chiefs of public security departments and public security bureaus convened in Beijing, Jiang Zemin, Li Peng, and Yang Shangkun turned up and made speeches. Their speeches included the following points:

Jiang Zemin said: As we quelled the "counterrevolutionary rebellion," many problems in public security work were revealed. In particular, police equipment was very poor, and communications instruments did not meet the needs of the emergency. The police must increase equipment as soon as possible, and buy a large quantity of "nonlethal weapons" from foreign countries, including water cannons, tear gas, and plastic bullets.

Jiang Zemin said: "I want to cite the words of former British Prime Minister Churchill. Churchill, looking at the growth of the strength of communism after World

War II, said: We must strangle communism in its cradle. Today I want to borrow these words, and from now on we must strangle the counterrevolutionary crimes in the cradle. We should not wait until the problem is too difficult to handle."

The Speeches of Jiang, Li, and Yang Imply Danger

Li Peng also made a speech at the meeting. He asked furiously: Why did so many local ruffians and gangsters take part in the "counterrevolutionary rebellion?" And why were they the most savage? He said this was connected with the fact that the public security organs had not worked hard at an earlier time, and that from now on these people must be harshly cracked down upon without leniency. Yang Shangkun said: Besides improving the equipment for the police, efforts must be made in increasing police power. He talked about two areas: first, increase personnel, and second, rectify government, legal, and public security organs. He said that a small group of personnel in the government and legal organs had sympathized with, and took part in the "counterrevolutionary rebellion," and that now it is time to look into the people who were involved, so as to maintain the purity of public security organs and government and legal organs.

It seems that this police state, which is under the rule of the CPC, is trying its best to control and suppress the people, especially the democratic forces, and is stepping up efforts in stretching its black hand across the ocean. Prodemocracy people must watch out!

Directory Lists Phone, Faxes of Top Leaders

HK0211014889 Hong Kong HONGKONG STANDARD in English 2 Nov 89 p 8

[By Tammy Tam]

[Text] Premier Li Peng's telephone number will soon be available to the public.

For the first time in 40 years, China is publishing a detailed book on the responsibilities of government departments and the names and telephone numbers of the officials in charge.

The 'Directory of China's Government Institutions and Functionaries' will include fax numbers and addresses, and detail several confidential units such as the State Security Bureau.

It contains a brief introduction to the State Council and its 79 ministries and bureaus, with information on organisations and officials above department level in all regional, provincial and municipal governments.

Mr Yu Xiaohuai, general manager of China Media Development, under the XINHUA News Agency, said yesterday the book was an effort at glasnost and an attempt to strip away the mystery surrounding officials and the government.

"You can dial the number of Premier Li Peng," Mr Yu said.

The structure of the Chinese Government and the relationship among its many departments have always bewildered outsiders, especially as the names and numbers of officials were not made public.

"With the implementation of the open door policy we feel the increasing need to provide overseas investors and people concerned with China with a useful reference book that gives them a clear picture of the Chinese Government and allows them to find the right department and the right person for solving their problems," said Mr Yu.

He said the book had also been published because a popular directory on China's main institutions circulating in Japan had many mistakes.

"We must clarify those mistakes and give the readers accurate informations," he said.

Mr Yu has been in Hong Kong promoting the distribution of the overseas edition of the directory, including its English version.

"It is the first such reference book of its kind. The readers will get a better understanding of the functions of various departments since they are clearly stated in the book," he said.

"XINHUA initiated the plan for publishing the book in 1986 and got approval from the State Council the next year. It will come out at the end of this month."

Letter Addresses Antipornography Drive, Culture

HK2210064089 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 42, 16 Oct 89 p 1

["Letter From Beijing" by Bao Xin (7637 0207): "The 'Campaign To Wipe out Pornography' Will Not Hinder the Prosperity of Literature and Art"]

[Text] Dear Brother,

In your letter, you showed your support for the campaign against pornography under way in China. You also expressed your worries whether or not the campaign will lead to deviation or hinder the prosperity of literature and art. In my opinion, your worries are understandable.

In fact, your worries were explained by the CPC leaders on many occasions at the beginning of the campaign. The fundamental purpose of the campaign against pornography is to develop healthy cultural undertakings and enrich the people's spiritual life.

The campaign against pornography is closely related to the prosperity of cultural life. However, healthy culture will not develop naturally along with the campaign against pornography. It is necessary to specifically deal with the relations between the campaign against pornography and the development of healthy culture. In the

words of the people on the mainland, we should launch a campaign against pornography on the one hand and grasp prosperity on the other. If this relationship is properly handled, the people's cultural life will develop healthily; conversely, if we pay no attention to or fail to properly handle the matter, the results will run counter to our desire. Hence, the campaign against pornography should be focused on resolving the "sources of pornography" nationwide. It is necessary to ban the localities and units from producing and selling obscene publications and sternly punish the offenders who smuggle, produce, sell, and spread pornographic articles.

Over the past 2 months, the campaign against pornography has started nationwide. We have confiscated and banned large amounts of obscene publications and video tapes, closed a number of shops and markets selling obscene articles, and sternly dealt with and punished a number of underground networks, publishing houses, and printing factories for producing and selling obscene articles. On the whole, the campaign against pornography has developed healthily and normally, and no deviations have occurred.

However, we cannot merely depend on the campaign against pornography to bring about prosperity of literature and cultural life. We should at the same time use healthy and outstanding literary and art works and cultural activities to occupy the ideological and cultural front and satisfy the people's varying needs for cultural life. In the 10 years of reform and opening up, gratifying results have been achieved in the cultural and other fields and many things which the masses love to see and hear have been created. Take popular songs for example, the young people will be against us if we try to negate them. If we judge today's literature and art with outdated standards, even the limited achievements will be negated. Hence, we should objectively and realistically look upon and acknowledge the achievements attained these years. China has not opened enough in the course of opening to the outside world in recent years. If it is fragrant air, the more we release the better; if it is filthy air, it would be inappropriate even to release a bit. As a matter of fact, management over pornographic articles has been loose over the years while healthy and amusing things have not been sufficiently produced. For this reason, China should further develop and bring about a prosperous culture and art along with reform and opening up rather than return to the state of 10 or 20 years ago. To occupy the ideological and cultural front with healthy and outstanding literary and art works, it is necessary to resolutely oppose bourgeois liberalization, wipe out pornography on a grand scale, unite the majority of the writers and artists, create better literature and art works, and invigorate the people's cultural life. What are the standards to depend on? They include stressing the role of education, understanding, aesthetics, and amusement. Above all, the role of amusement, that is, educate the people through amusement activities so that they can get useful enjoyment and satisfaction

spiritually. What is meant by usefulness? Besides being harmless, it should please the people and not necessarily be related to politics.

It should also be noted that some people still lack confidence in Chinese national culture. Foreign people attach great importance to the Chinese nation, yet the Chinese forsake the good things they possess. There are many good things in Chinese national culture which went in the opposite direction instead of developing in recent years. It is a good thing that foreigners introduced some beneficial things from abroad since reform and opening up which have invigorated the stage and television. However, the obscene things introduced at the same time also affected in certain aspects China's national culture. The question of art should still be dealt in accordance with the policy of "letting a hundred schools of thought contend and letting a hundred flowers blossom." Certain questions should be allowed to contend for a long time to come. Nevertheless, we should never forsake the things related to the nation. It is necessary to study history and study historical culture and traditional customs of the Chinese people rather than indiscriminately copy foreign things. There are now many things which are difficult to understand and remember and which have confused the masses. Today there is no reason to prevent innovation and development. Take China's Beijing opera for example, it should further develop. However, it should develop carefully on the basis of not forsaking its advantages. The Chinese people should first make efforts to study its national culture and art. The strong national and international characteristics of culture and art are not tantamount to rejecting things foreign. Regarding the outstanding culture of the Chinese nation which the masses love to see and hear, it should be improved and upgraded on the basis of inheritance and development. [Signed] Bao Xin 8 Aug

Workers Urged To Denounce Private Ownership

OW0311025789 Beijing GUANGMING RIBAO
in Chinese 9 Oct 89 p 3

[Article by Ma Zemin (7456 3419 3046): "The Working Class as a Political Force Against Privatization"]

[Text] The working class is a product of mass production. It is imbued with the concept of public ownership of property. Having its class status determined, the working class can only emancipate itself by eliminating the system of private ownership and establishing the system of public ownership. Furthermore, the majority of China's workers work for state-owned enterprises in which they are the owners of the enterprises and of the goods produced. Who wants to give up the goods they produce themselves to individual capitalists and willingly work as the latter's hired hands or slaves?

In order to prevent turmoil from recurring, quicken our pace in carrying out reform, and develop the social productive forces as soon as possible we must step up our efforts in criticizing bourgeois liberalization and organize the working class to denounce the private ownership

system. We must arm workers with Marxism and help them understand the law of development of modern Chinese history, the characteristics of the imperialist era, and Chairman Mao's brilliant concept that only socialism can save China and that China will become an imperialist colony or semicolony if it deviates from the socialist road. We must help workers understand that the history of Western capitalism is written with the blood of people and that this aspect of history should not be repeated in China. We must make them understand that even if we do not promote the public ownership system, the Western capitalist countries will not voluntarily give up their somewhat highly developed social productive forces to the Chinese people, that competition among capitalists for survival will become fiercer than ever before, and that capitalists will even more cruelly oppress the workers, thus causing the rate of unemployment to increase sharply. Theoreticians have the responsibility to help workers realize the change in the relationship between workers and factory owners, between workers and their work, between workers and administrators, and among workers themselves under the private ownership system so that they will understand that privatization is the natural enemy of the working class. At the same time, workers must be helped to understand the superiority of the public ownership system and the fact that current ills such as using one's authority to seek private gain, offering and accepting bribes, and bureaucracy are incompatible with the very nature of the public ownership system and that we can overcome these ills by promoting the public ownership system. They must be made to understand that only by developing the economy under the public ownership system can we raise the economic, cultural, and political standards of workers and help them emancipate themselves completely and raise the level of their awareness in struggling against all activities harmful to promoting the public ownership system. Only by earnestly mobilizing the 130 million workers in the country, particularly those of large and medium-sized industrial, mining, and commercial enterprises, to step up their political studies, by leading them to step up their criticism of the private ownership system, and helping workers link Marxism with their life and struggle can we help China's working class to greatly raise its class awareness and whip up its enthusiasm for developing socialism. All this will not only help quicken our pace in carrying out socialist reform and promoting the rapid development of our productive forces, but also turn China's working class into a gigantic political force for maintaining social order, correcting unhealthy trends in society, guarding against turmoil, opposing imperialism, and combating any attempt for peaceful evolution.

Article Rejects Separation of Three Powers

HKQ 11044989 Beijing JIEFANGJUN BAO
in Chinese 18 Oct 89 p 4

[Article by Chen Hanfeng (7115 1383 2800): "Why Can the System of the Separation of Three Powers Not Be Practiced in China?"]

[Text] Ke Zhihui of the 32822d unit of the Logistics Department asked in his letter: Why can't the system of the separation of the three powers be practiced in China?

Answer: The separation of the three powers is a state system under which capitalist countries deliver the three basic state powers, namely, legislative power, executive power, and judicial powers to congress, government, and the law court respectively, which then check and balance one another. This organizational form of political power was established by the bourgeoisie in the process of opposing the feudal autocratic system and has gradually developed with the development of capitalism. In some developed capitalist countries in the West, especially the United States, such a system is most typical.

The political system belongs to the superstructure. It is determined by and serves the economic basis. In capitalist countries at present, different financial groups and interest groups of the bourgeoisie go all out to compete for super profits. When this is reflected in various aspects of social life, vigorous contradictions and conflicts are formed. At this time, the separation of the three powers is to separate powers between different financial or interest groups for the sole purpose of consolidating the rule of the bourgeoisie. Such a separation of powers is effected in accordance with the quantity of capital. Because the working class and other laboring people have neither the means of production nor capital (money), it is impossible for them to share the power and qualifications to manage the state. With regard to the so-called "checks and balances," the congress, government, and law court are consistent on the essential question of exploiting the people; it is only on the amount and method of exploitation that they represent their own bosses, intrigue against each other, and exercise some checks and balances. Therefore, the separation of the three powers is an organizational form of state political power which is determined by a capitalist economic basis and works for the consolidation of the economic basis. Ours is a socialist state with public ownership as the main body. The means of production belong to the whole people or, are collectively owned by the laboring masses. Except for a small number of individuals and private-owned economies, exploitation has basically been eliminated. Although there are differences in terms of economic interests and some partial contradictions among the vast numbers of the laboring people, there is basically no fundamental conflict of interest. The organs of state power formed on the basis of the public economy are part of the people's political power, and represent the people to exercise state power and manage state affairs. The question of representing the interests of a particular group or sections of the people does not exist. This means that the economic basis of the separation of the three powers does not exist.

The political basis of the separation of the three powers is bourgeois political rule and democracy. The bourgeoisie boasted that the separation of the three powers can prevent a state organ or a person from becoming dictatorial. This is a lie. Bourgeois democracy means the

dictatorship of the bourgeoisie, i.e. dictatorship exercised by a small number of people of the bourgeoisie. On the basis of dictatorship exercised by a small number of people in the bourgeoisie, the economic contradictions and conflicts among different financial or interest groups within the bourgeoisie find expression in the political contradictions and conflicts among different political parties and political groups. The separation of the three powers is nothing more than a political system for mutually conditioning and maintaining the balance between different political parties and political groups within the bourgeoisie. The low economic positions of the working class and other laboring people determine their political positions. It is impossible for them to enjoy real democracy or democracy which is a little incomplete. They have no powers nor any qualifications whatsoever to manage state affairs, still less can they begin to talk about the question of mutual conditioning and maintaining the balance of power. Ours is a state of the people's democratic dictatorship in which the people are the masters of their own affairs and the broad masses of the people can enjoy full democratic power. It is stipulated in our state's Constitution: "All power in the PRC belongs to the people. The organs through which the people exercise state power are the National People's Congress and the local people's congresses at different levels. The people administer state affairs and manage economic, cultural, and social affairs through various channels and in various ways in accordance With the law." Through the people's congresses which are instituted through election by the people, the people carry out legislation and decide on major issues of the state, and carry out their own decisions through the governments elected by the people's congresses. Therefore, the system of people's congresses, which combines discussion with implementation, is a basic political system of our state. All state powers are entrusted by the people to the state organs concerned through people's congresses. Government, judicial, and procuratorial organs are formed by people's congresses, are responsible to them, and are under their supervision. Because the basic interests of the people in socialist China are identical, the relationship between all state organs is not one of mutual conditioning and balancing as characterized by the state organs of bourgeois state. On the basis of the people's congresses exercising state power in a unified way, they have both division of work, and carry out their work in a coordinated way.

In the modern history of our state, many pioneers of the bourgeoisie democratic revolution and democratic individualists tried many times to build a bourgeois republic in China with the separation of the three powers but finally they failed. Thus Dr. Sun Yat-sen understood a truth, namely, the proposition of establishing the system of separation of the three powers in China is not worth believing in. However, those who stubbornly uphold bourgeois liberalization want to copy the separation of the three powers. In fact, they want to overthrow the leadership of the Communist Party, subvert socialist China, replace the system of people's congresses with

bourgeois parliamentary democracy, and establish a bourgeois republic. This has further told people from a negative aspect, that only by upholding the four cardinal principles, further improving the system of people's congresses, more satisfactorily safeguarding the people's right to be the masters of the country, and developing socialist democracy, is it possible to build our country into a powerful socialist state with a high degree of democracy.

Article Discusses Ideological, Political Work

HK0111111989 Beijing JIEFANGJUN BAO
in Chinese 17 Oct 89 p 3

[Article by Tian Shugen (3944 2579 2704): "Make Ideological and Political Work More Combat-Worthy"]

[Text] The recent turmoil and counterrevolutionary riot have taught people profound lessons. A very important lesson is that we must strengthen ideological and political work, especially, we must make it more principled and more combat-worthy.

In recent years, ideological and political work has been weakened in many fields. An important mistake is that we have neglected its combat effectiveness. The first expression is that we have not insisted in combating the ideological trend of bourgeois liberalization. Over the past decade, Comrade Deng Xiaoping has repeatedly urged us to oppose bourgeois liberalization. However, on this important political question, some leading comrades have adopted a negative attitude. Both the struggle against spiritual pollution in 1983 and the struggle against bourgeois liberalization in 1986 were hastily wound up soon after they were started, leaving an opportunity to seize for bourgeois liberalization. Because of this, there also appeared all kinds of confused ideas about the four cardinal principles. Some people even had doubts about them. The spreading of bourgeois liberalization made people's thinking more confused, and the confused thinking provided the spreading of bourgeois liberalization with more necessary soil. As a result, turmoil and then counterrevolutionary riot occurred in our capital. The second expression is that we have not resisted all kinds of decadent ideas on a clear-cut stand. In ideological and political education, we have neglected the struggle against the corrosive influence of bourgeois ideas. Especially, under the condition that our "windows" are open and "flies" have flown in, we are still weak and powerless and are insensitive toward bourgeois ideas. We are even afraid of mentioning the phrase "oppose the corrosive influence of bourgeois ideology." As a result, some decadent ideas have been spreading like mushrooms. Some disgusting phenomena that once disappeared in New China, such as gambling, kidnapping, prostitution, and superstition, have reappeared. Some negative things of Western culture have become fashionable. Some decadent, declined, and rotten spiritual garbage that have been discarded by the enlightened persons of the bourgeoisie have even become the treasure of some people. These people then become the

"prisoners" of the rotten ideas. The spreading of various decadent ideas was an important reason for the turmoil. The third expression is that we have not carried out tit-for-tat struggles against all kinds of unhealthy tendencies. Quite a few strange phenomena have appeared in some units. It seems that those who are able to say something against socialism are good persons. Anyone who is full of grievances against socialism will naturally be applauded; anyone who totally negates the traditional culture of the Chinese nation and the good traditions of the party and the Army will surely be able to "cause a sensation," and anyone who can reap profit is certainly a capable person. However, anyone who does things in accordance with principle will be criticized as "being rigid." These unhealthy practices added fuel to the flames when the ideological trend of bourgeois liberalization was running wild. The fourth expression is that we have not mercilessly criticized the mistakes and shortcomings of some comrades. Serious and conscientious criticism is a necessary detergent to purify people's thinking and an important expression of the combat effectiveness of ideological and political education. Over the past few years, an unhealthy atmosphere has appeared in some units. They always report only the good news and not the bad. Sometimes, when they had no alternative but to criticize certain phenomena, they would also just make some ambiguous criticisms. As a result, the sense of principle has been weakened and, in some units, individualism and anarchism have even become open and legalized.

There are many reasons for the weakening of the combat effectiveness of ideological and political work. First, over the past few years, people's sense of class struggle has dulled. As our party has correctly put an end to the practice of "taking class struggle as the key link," some comrades have gone to another extreme. They have failed to see that the ideology of the exploiting classes is still poisoning our economic, political, ideological, and cultural life, that there are still hostile elements of different shades in the current stage, and that a small number of reactionaries abroad and in Taiwan, Hong Kong, and other areas are still trying to undermine our socialist system through all possible channels and they have never given up their sinister plot of subverting socialism. For this reason, these comrades have lowered their vigilance. Even at the time of turmoil and riot, they were still proceeding from their good wishes and fabricated hopes to look at the life-and-death struggle. In front of the people who have ideologically disarmed, it was not strange at all that bourgeois liberalization and all kinds of decadent ideas and culture were able to spread wildly. Second, as the "philosophy of struggle" has been criticized and "human sympathy" has been overemphasized in political education, the phenomena of "placing human sympathy above principle" and "placing human sympathy above national law" have appeared in some places, and people even dare not carry out criticism and struggle against serious illegal activities and unlawful practices. In education, respecting, caring for, and understanding others has been overemphasized to the

neglect of educating, training, and transforming people. As a result of "reporting only the good news and not the bad" and being indulgent toward certain mistakes, some people have been sliding further and further down the wrong road. Some other people have been influenced by the so-called "pluralistic ideology" and wrongly equated "pluralistic ideology" with emancipation of the mind. This has provided the ideological trend of bourgeois liberalization and various other erroneous ideas with an opportunity to seize, making them able to spread wildly and causing a great confusion in the people's thinking.

Therefore, an important task for strengthening ideological and political work is to make this work more combat-worthy. This is especially important at present when we are adhering to the four cardinal principles and carrying out the struggle against bourgeois liberalization. First, it is necessary to gain a full understanding of the combat effectiveness of ideological and political education. Ideological and political education has many functions. For example, it plays the role of guidance in the political and ideological fields, encourages people to work hard, and has a high combat effectiveness in struggle. The combat effectiveness refers to its role of recognizing, criticizing, resisting, and correcting mistakes. This is an important function of ideological and political work and a concrete expression of its party spirit and principles. In a certain sense, the effectiveness of ideological and political education is determined by its combat effectiveness. If we weaken the combat effectiveness of ideological and political work, it would mean that we allow bourgeois liberalization and all kinds of decadent ideas, unhealthy trends, and rotten phenomena to run rampant and allow individualism and egoism to swell. Moreover, in ideological and political education, while resisting and eliminating erroneous ideas, it is necessary to pay great attention to educating the masses with correct theories and progressive spirit. In order to effectively resist and eliminate erroneous ideas, it is necessary to take the four cardinal principles as our guide and foster what is good and correct. At the same time, through resisting all kinds of decadent ideas and criticizing all kinds of erroneous ideas, people will be able to foster the spirit of socialism and communism and acquire a correct world outlook and outlook on life. In ideological and political work, we must always take Marxism as our guide and fostering a correct world outlook and outlook on life as our target. We must attach importance to political and ideological natures of education and never replace them with the mere interest in learning knowledge and having fun. Of course, when we emphasize principles and the combat effectiveness of ideological and political work at present, we mainly aim at overcoming the mistakes of the previous stage. It does not mean that we will practice again the "philosophy of struggle" and "unlimited exaggeration." Instead, we must draw lessons from our past mistakes. Indeed, we have learned profound lessons from our past practice of "going from one extreme to another." We will certainly not follow the same disastrous road in the future.

Cardinal Principles Stressed for National Autonomy

HK0211134889 Beijing RENMIN RIBAO in Chinese
20 Oct 89 p 6

[Article by Wu Zongjin (0702 1350 6855): "The Four Cardinal Principles Are the Fundamental Guarantee for Regional National Autonomy"]

[Text] The four cardinal principles are the foundation of our state and the fundamental guarantee for regional national autonomy. The preface to the "Regional National Autonomy Law" explicitly stipulates the four cardinal principles. The significance of the four cardinal principles, as pointed out in the explanation to the draft autonomy law, is as follows: Upholding the four cardinal principles is a common political basis for the unity and advance of the people of all nationalities throughout the country and a fundamental principle for their common prosperity. This is a fundamental guiding idea for drafting the regional national autonomy law. For some time past, however, due to the effects of the bourgeois liberalization trend, there were also some strange arguments about regional national autonomy. This somewhat affected and obstructed the implementation, propaganda education, teaching, and scientific research on the regional national autonomy law. Some hostile forces abroad have also exerted their utmost to use the nationality issue to split our nationalities and our state in a vain attempt to subvert the PRC.

Facts prove that since the founding of the PRC 40 years ago, and since implementation of the autonomy law 5 years ago, we have attained brilliant achievements in the work of regional national autonomy. This is precisely a result guaranteed by the four cardinal principles which serve as a basic precondition. The principal manifestations are as follows:

First, regional national autonomy is a basic policy with which the CPC applies Marxism-Leninism to solve nationality issues in our country. Since the founding of the Inner Mongolian Autonomous Region on 1 May 1947, our country has set up 154 national autonomous areas, comprising 5 autonomous regions, 30 autonomous prefectures, and 119 autonomous counties (banners). Of the 55 ethnic minorities in our country, 45 have effected regional autonomy. The areas exercising regional autonomy account for about 64 percent of China's territory and the population of ethnic minorities exercising regional autonomy accounts for some 80 percent of the total population of ethnic minorities throughout the country. We have also restored or established more than 1,500 nationality townships. These achievements are not easy to come by. In several decades of revolutionary struggle, and after long-term exploration and practice, the CPC has correctly applied the basic tenets of Marxism-Leninism in solving nationality issues in light of the reality in China and drawn the conclusion to institute regional national autonomy. The conclusion has also been constantly improved and developed through decades of tests in socialist construction.

Second, as an important state political system regional national autonomy is an important manifestation of the socialist system of the people's democratic dictatorship. From the "Common Program" on the eve of the founding of the Republic to the New Constitution in 1982, the system of regional national autonomy has always been an important aspect of our country's Constitution. Since the 3d Plenary Session of the 11th CPC Central Committee especially, democratic development in the system of regional national autonomy has been developed, strengthened, and gradually institutionalized. For example, the Constitution, the Electoral Law, the Organizational Law, and other legal statutes have made detailed provisions on various issues, such as the quotas, proportions, and election of representatives of regional national autonomous areas and ethnic minorities in the National People's Congress [NPC], people's congresses at all levels, and their standing committees. All ethnic minorities, whether they have a population of over 10 million or about 1,000, have their own representatives in the NPC or local people's congresses (where the ethnic minorities live) and the numbers of their representatives have increased. Moreover, in line with the provisions of the Constitution and the Autonomy Law, the chairman or vice chairmen posts in the People's Congress Standing Committee of all regional national areas, the chairman of regional people's governments, and the heads of autonomous prefectures and counties have been taken by citizens of the nationalities which have effected regional autonomy; the functionaries in state organs at all levels in regional autonomous areas are basically those from the nationalities exercising regional autonomy, or other ethnic minorities. Furthermore, the People's Congress and government of a regional autonomous area, which consists mainly of citizens from the nationalities exercising regional autonomy, have more extensive autonomous powers than ordinary local organs of power in a dozen or so aspects, such as legislation, spoken and written language, labor and personnel, economy and finance, culture and education, public security units, floating population, family planning, and environmental protection. The development of democracy and legal system in these aspects demonstrates that the state fully respects and guarantees the rights of all ethnic minorities to manage state affairs and the internal affairs of the nationalities and that the state persists in implementing the principle of nationality equality, solidarity, and common prosperity.

Third, the socialist road is the only way to speed up the development of all construction projects in national autonomous areas. The basic national policy of equality among all nationalities, the socialist nationality relationship marked by solidarity and mutual help, and the common prosperity of all nationalities is a basic feature of our socialism. To speed up the development of socialist economic and cultural undertakings in national autonomous areas, the state has stipulated, through the Constitution, Autonomy Law, Organizational Law, and so on, various principles on leading and helping national autonomous areas. Over the past 40 years, with energetic

help from the state in terms of finance, materials, technology, and competent personnel, earth-shaking changes have taken place in national autonomous areas: 1) In training ethnic minority cadres, the party and state have attached great importance to the building of ethnic minority cadres so that their ranks have constantly developed and grown. By the end of 1988, the number of ethnic minority cadres had increased nearly 20 times over the years immediately after the founding of the PRC and by 119.7 percent over 1978. All cadres, from party and government management cadres to economic management cadres, and various science and technology cadres, have gradually developed toward socialist modernization suitable to national autonomous areas. 2) Nationality education has been supported by the state for a long time. The state has established special allowances for nationality education and the central authorities, provinces, autonomous regions, and municipalities concerned, have set up institutions to administer nationality education. There are 11 nationality institutes at the central and local levels. Some universities and colleges have set up nationality classes and 17 provinces and cities have set up Tibetan middle school classes. There are nationality teachers training schools in autonomous prefectures, nationality middle schools in autonomous counties, nationality primary schools in nationality townships and villages, and nationality boarding schools in pastoral and outlying mountainous areas. There are 101 ordinary universities and colleges in various national autonomous regions. A system of nationality education has taken shape. In 1988 the number of pupils from ethnic minorities studying at all levels and kinds of schools increased by between several dozen and 100 times over 1951. In 1988, the number of ethnic minority students in universities and schools throughout the country was 125,422, an increase of 97.6 times over the years immediately after the founding of the PRC. All 55 ethnic minorities have a certain number of university students and some even have a master's degree and PhD graduates. 3) In terms of nationality culture, radio, film, and television undertakings have started from scratch and developed from small to large. Before the founding of the PRC, radio broadcasts in ethnic minority languages were almost nonexistent. Now, however, 12 provinces and autonomous regions have broadcasts in ethnic minority languages and 11 provinces and autonomous regions have set up 48 centers to dub into or make films in ethnic minority languages or dialects. Television stations in nationality areas have also started programs in ethnic minority languages. There are 35 publishing houses publishing books in 20 ethnic minority languages. Another 84 newspaper offices publish newspapers in ethnic minority languages. Publications printed in ethnic minority languages rose from 1.68 million copies of 176 types in 1949 to 38.16 million copies of 3,294 types in 1988; periodicals rose from 120,000 copies of 4 types in 1949 to 13.5 million copies of 154 types in 1988; and newspapers rose from 2.42 million copies in 1949 to 134.11 million copies in 1988. 4) The achievements in nationality economy are even more notable. According to statistics, from 1979 to 1988, total investment in

capital construction by units owned by the whole people in regional autonomous areas was 82,040 million yuan, more than the 58,052 million yuan invested in the 29 years from 1950 to 1978. In 1988, the total industrial and agricultural output value was 109,233 million yuan (calculated according to the fixed price in 1980), an increase of 19.5 times over the 3,660 million yuan of 1949. Of this, agriculture grew by over 5 times and industry by 116 times. In 1988 total grain output was 43,614,000 tons, an increase of nearly 300 percent over 1949. At the end of 1988 there was a total of 209,381,600 domestic animals, an increase of more than 400 percent over the 41,080,000 domestic animals in 1949. In 1988 the railway mileage open to traffic was 12,733 km, an increase of 262.7 percent over the 3,511 km in 1949. In 1988 the highway mileage open to traffic was 276,829 km, an increase of 23.3 times over the 11,400 km in 1949. Before the founding of the PRC, modern industries were basically nonexistent. Today, however, there are 53,500 industrial enterprises (not including those at or below the village level). In 1988, per capita net income in agricultural and pastoral areas was 436 yuan.

Science & Technology

Nuclear Technology Applied to Nonmilitary Use

HK3010004289 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 30 Oct 89 p 4

[By Huang Xiang and Zhang Yu'an]

[Text] For many Chinese, the nuclear industry inspires visions of such powerful weapons as the atom bomb or the more devastating hydrogen bomb.

However, since 1979, the industry has been transforming itself into "an ordinary profession with more and more of a civilian nature," in the words of Wang Qing, from the China National Nuclear Corporation (CNNC).

The CNNC official told BUSINESS WEEKLY recently the corporation, the former Ministry of Nuclear Industry, has applied nuclear technology to non-military production and developed over 1,000 products for civilian use in the past decade.

"This once purely defence industry is now making strides in such civilian fields as developing nuclear power, isotope and radiation technology, and civilian products," said Wang, division chief with the one-year-old CNNC.

The Qinshan Nuclear Power Plant, a totally domestic effort, in China's south-eastern coastal province of Zhejiang is expected to go on line by the end of 1990. The construction of the Daya Bay Nuclear Power Station in Guangdong Province is well underway. Wang said the research on isotope and radiation technology started in the 1950's. This research includes isotope products,

nuclear instruments, accelerators, radiation technology, and the application of nuclear technology to agriculture and medical treatment.

In agriculture, for example XINHUA reports that Chinese scientists have developed 285 new strains of 23 crops and plants on 14 million hectares of land by utilizing nuclear radiation which has increased grain output by 3.5 million tons and produced profits of 5 billion yuan (\$1.3 billion).

Among the new breeds developed by radiation, "Yuan-fengzhao" rice, "Lumian-1" cotton, and "Tiefeng-18" soy beans have been awarded national first class medals for invention, the XINHUA report said.

Since 1979 the corporation has been developing civilian products, a policy that applies to other defence industries as well.

The total value of civilian products this year, which is expected to be 580 million yuan (\$156 million), is six times more than a decade earlier. It now makes up one-third of the industry's output value, Wang disclosed.

During the Seventh Five-Year Plan (1986-90), the corporation's 60 enterprises initiated 112 civilian projects, a total investment of 8880 million yuan (\$238 million). Seventy-seven of them may be completed by the end of 1990.

Major projects include a fire-arms factory, a chemical fertilizer plant, a lithium battery factory, an aluminium foil and other rolled-aluminium factory, and a soda plant.

Many of the corporation's high-tech projects are using foreign technology. Partners are from the United States, West Germany, Switzerland, and Yugoslavia.

CNNC currently employs 300,000 people in 21 research institutes and 100 enterprises.

Zou Jiahua Attends Commendation Meeting

*OW0111122289 Beijing Television Service
in Mandarin 1100 GMT 30 Oct 89*

[From the "National News Hookup" program]

[Text] [Video begins with long shots of a meeting hall where approximately a dozen people sit at a long table on the stage; video cuts to closeups of an unidentified person standing and speaking into a microphone, then shows State Councillor and Machine-Building and Electronics Minister Zou Jiahua seated, listening; video then shows pan shots of other people on the stage]

The Ministry of Machine-Building and Electronics Industry commended 182 subordinate units on 28 October for their outstanding achievements in undertaking some 38 projects of the Seventh 5-Year Plan for science and technology.

These projects include: the 1.9-meter continuous casting machine for the second phase of construction of the Baoshan Iron and Steel Complex was successfully developed and put into operation; a domestically manufactured air cylinder turbine for 300,000-kw capacity generators was put into operation at the (Shiheng) Electrical Plant; mass production and export of the 0520 micro-computer system was made possible; technology for producing 1-1.5 micron large-scale integrated circuits was successfully developed and applied to production on a trial basis, ending the foreign monopoly on this technology; engine lathe numerically controlled systems were able to be made domestically and put into batch production; control systems for the production process of 300,000 metric tons of chemical fertilizer were developed domestically, complete with support facilities, without foreign assistance; and research on auxiliary design systems for computers produced concrete results twice, the innovations of which were applied to the design of heavy machinery and electronic products like tractors. [Video shows a line of people standing on the stage in front of the long table, holding in front of them certificates of merit, accepting the applause of the audience; video then cuts to long shots of the meeting hall from the stage]

The success of these projects has contributed to the modernization of China's industry. Zou Jiahua, state councillor and minister of the Machine-Building and Electronics Industry, attended and spoke at the meeting. [Video shows closeups of Zou Jiahua speaking, followed by close and medium shots of the audience]

Aerodynamic Institute Surpasses Test Target

*HK2710092389 Beijing JIEFANGJUN BAO
in Chinese 12 Oct 89 p 2*

[Report by Yu Zhengdao (0151 2973 6670) and Han Liu (7281 0491): "High-Speed Aerodynamic Research Institute of National Science, Technology, and Industry Commission Is Expected To Have Conducted 14,000 Wind Tunnel Tests in 1989"]

[Text] There are only about 3 months to go before the end of the year 1989. But the number of wind tunnel tests conducted by the Aerodynamic Research Institute of the National Science, Technology, and Industry Commission has already reached the annual target of 10,000. It is expected that the number can reach 14,000 by the end of the year. It is pointed out that the wind tunnel tests of this institute have for 7 consecutive years broken the 10,000 mark.

Wind tunnel tests represent a chief means of studying the air force problem of aeronautical and astronautical craft. To satisfy the needs of the development of our aeronautical and astronautical undertakings, the institute has since 1983 reformed the scientific research control system of the institute and introduced the wind tunnel test responsibility system. The system means determining rational annual targets and fixed bases in light of

our laboratory equipment and technical capacity early in the year. At the end of the year, rewards and penalties are based on ratings—excellent, good, medium and poor—given after a quantified assessment. Since the introduction of the wind tunnel test responsibility system, the testing work of the institute has been put on the orbit of "three heights and three excellences"—a high level, high precision, and high efficiency; and excellent quality, most favorable results, and most attractive prices.

New Advanced Electronic Ballast Developed

OW3110125489 Beijing XINHUA in English
0632 GMT 31 Oct 89

[Text] Beijing, October 31 (XINHUA)—The S.U.M. [expansion unknown] series of advanced electronic ballasts developed by the Hainan Asia-Pacific Illuminating Appliance Corporation have won the approval of the Chinese Ministry of Light Industry.

Hu Dexia, senior engineer and deputy director of the Chinese Society of Illuminating, said at a press conference Monday that the electronic ballasts feature low power consumption and low starting power pressure.

Twelve percent of the 543 billion kilowatt hours of electricity China generates annually is used for illumination. The country uses 9.5 million ballasts a year. If this new model of ballasts are widely used, the country could save up to 20 billion kilowatt hours of electricity or 0.6 million yuan a year.

The new products are smaller, lighter, generate less heat and last longer than the inductance ballasts.

Sales prospects for the electronic ballasts look very promising both at home and abroad.

New Equipment To Speed Ramie Processing

OW2810091789 Beijing XINHUA in English
0659 GMT 28 Oct 89

[Text] Changsha, October 28 (XINHUA)—A new type of equipment for high-speed ramie degumming has been produced in Zhuzhou City, Hunan Province.

The operation time may be reduced to less than one and a half hours from three to five days, while the residue is less than two percent of the total.

China is the largest ramie producer in the world, with gross output accounting for 90 percent of the world total. The new equipment breaks down a technical barrier in ramie processing, experts say.

The apparatus was developed by the Zhuzhou Ramie Textile Printing and Dyeing Mill and the Ministry of Aeronautics and Astronautics.

Military

Commentary Stresses Pioneering Spirit

HK3010134089 Beijing JIEFANGJUN BAO
in Chinese 15 Oct 89 p 1

[Sunday commentary by Lu Guangzu (5684 0342 4371):
"Always Keep Alive Pioneering Spirit"]

[Text] In the last few years, Comrade Deng Xiaoping has time and again pointed out that the more developed our country becomes, the more necessary it is for us to develop our pioneering spirit of hard work. After conscientiously studying this important instruction of Comrade Deng Xiaoping, we have come to realize that this instruction is commensurate with the realities of our country and is right to the point. After conscientiously studying this issue in the light of my personal experiences over the past few decades, I, as a veteran PLA [People's Liberation Army] man, have come to realize that under the current circumstances of our country, we must make unremitting efforts to further develop our pioneering spirit of hard work.

Pioneering spirit is a type of motive force for the mankind to transform the world. Without the pioneering spirit, no class, group, collective, or individual could score any achievements. In the history of China, there once existed many outstanding emperors who had made a multitude of unprecedented achievements. However, one thing which was true to all of them was that these emperors all had once had a strong pioneering spirit and a strong spirit of hard work. However, many of them later lost their empires and turned from "iron tigers" into "paper tigers" due to a variety of factors. Apart from political, economic, scientific, technological, and ideological factors, the underlining factor was that all of them later lost their original pioneering spirit and spirit of hard work. For instance, Chinese Emperor Yin Zhou lost his empire because he had indulged himself in the "wine pool and flesh forest" all day long. The Chinese Baqi Army was defeated before it actually fought against the enemy, for its officers and soldiers had lost their fighting spirit and had become extremely lazy. At the end of the movie entitled "Grand Founding Ceremony," the audience heard such a sentence: On the eve of the grand founding ceremony, Mao Zedong discussed with his own son Mao Anying the question of whether the Chinese Communists would be able to avoid the outcome of losing their pioneering spirit and avoid the common fate suffered by all the previous governors of China. Is it true that the same question is still worthy of our meditation and exploration even today, some 40 years later?

Common sense tells us that pioneering spirit is not peculiar to the proletariat. However, historical materialism also tells us that only the proletariat are able always to keep alive their revolutionary pioneering spirit of hard work. This is indeed an advantage on the part of the proletariat. Since the proletariat are a new type of

pioneers in the human history, have the lofty goal of emancipating the whole humanity, are under the guidance of the Marxist world outlook, represent the fundamental interests of the majority of the people, and are able to avoid becoming lordly, luxurious, loose, and idle because they have a strong collective will, they will be able to always maintain their youthful vigor. This special advantage on the part of the proletariat has become the political nature of the proletariat, has hoisted a glorious banner, and has convinced a large number of people who originally did not understand or did not believe in communism, but later developed confidence in our party and our Army. After liberating Shanghai, our victorious Army slept on the street in Shanghai City overnight. After seeing this, many people, who originally had misgivings about our Army, began showing their heart-felt admiration and respect for our Army. Without exaggeration I can say that our Army's traditional pioneering spirit of hard work was the very source of energy with which our Army smashed the old social system and built the new social system. In a certain sense, it can be said that by relying on this pioneering spirit of hard work, the Chinese proletariat and its vanguard finally succeeded in mobilizing and rallying the fighting will and creativity of all the officers and soldiers of our Army and the people of the whole country and finally succeeded in opening up a new era in the historical development of China.

However, there is no denying the fact that due to various historical and social factors, our Army's traditional pioneering spirit of hard work is finding increasingly less expression in some of our units and some of our officers and soldiers. This is only a natural phenomenon. Like other types of revolutionary spirit, our pioneering spirit of hard work is not innate, but has been gradually developed in the course of our ideological education and practical struggle. Therefore, if we fail to make subjective efforts, problems are bound to crop up once the objective conditions change. The prevalence of the ideological trend of bourgeois liberalization in our country over the past few years has directly eroded the revolutionary pioneering spirit of some of our comrades to a certain extent. This is why Comrade Deng Xiaoping's call for further developing our pioneering spirit of hard work while greatly developing the economy of our country is so important to us at present. More than a few of our comrades agreed that in the first few years after the founding of the PRC, we had a very strong pioneering spirit of hard work and a strong fighting will because we were faced with a variety of challenges and were under various pressures. Nevertheless, along with the development of our socialist cause and the gradual improvement of our national situation, some of our comrades have gradually begun to rest on their laurels and become content with our existing achievements. In consequence, they have begun passing their days amidst a shower of praise and losing their pioneering spirit of hard work. Recently, after studying the speech made by Comrade Jiang Zemin, some of our comrades sighed with emotion: "Now we have found that we have been less strict with ourselves over the past few years." In my

view, this is exactly a true reflection of the ideological realities of some of our comrades. In order to press ahead with a cause, we must adhere to the self-challenging spirit of "being strict with ourselves." If we were not strict with ourselves, but perfunctorily dispose of our work, and drift along each and every day, we would certainly not be able to become real revolutionaries and would certainly fail to further develop our pioneering spirit of hard work.

When commenting on his own discoveries and inventions, Newton said that he himself had just "stood on the shoulders of a giant." In so saying, Newton vividly expounded the inheritable relations in the historical progress of the human society. Nonetheless, history has never tried to determine who should be the generation of pioneers, who should be the generation to defend the achievements of pioneers, and who should be the generation to rest enjoying the achievements of pioneers. This is because social development always provides us with an updated definition of pioneers. The inherent definition of pioneers is those who constantly pioneer and create new things. With regard to the relations between the generation of pioneers, the generation to defend the achievements of pioneers, and the generation to rest enjoying the achievements of pioneers, I believe that without the generation of pioneers, the generation to defend the achievements of pioneers and the generation to rest enjoying the achievements of pioneers would be out of the question. Should we not make any efforts to create new wealth, but only concentrate our efforts on defending our existing achievements or just freely spend the wealth left to us by our ancestors, we would inevitably destroy our entire cause and become spendthrifts, wouldn't we? As in the Changjiang River the waves behind drive on those before, the new generation of pioneers are now entrusted with a new historical mission, namely, to take the achievements of their predecessors as the starting point, pioneer the domains left untouched by their predecessors, and create the miracles unimaginable to their predecessors. "Unremitting endeavors result in an overall development of a country whereas laziness results in a decline of a country." In my view, "working for the current generation and pioneering for the future generations" should be our motto.

Yang Baibing Attends Sichuan Cultural Show

*HK2410004989 Chengdu Sichuan Provincial Service
in Mandarin 2300 GMT 23 Oct 89*

[Text] The Chengdu Military Region song and dance troupe gave a grand soiree on 23 October to entertain officers and men. Colonel General Yang Baibing, director of the General Political Department; Major General He Qizong, deputy chief of staff; Lieutenant General Fu Quanyou, commander of Chengdu Military Region; and Colonel General Wan Haifeng, political commissar, attended the event.

This soiree was staged by the song and dance troupe to implement the spirit of the three general departments'

circular on vigorously publicizing the Lei Feng spirit and launching an extensive drive to learn from Comrade Lei Feng in the units, and to sing the praises of the party, the motherland, and the Army, promote the Laoshan spirit, and arouse the fighting spirit of the officers and men. In particular, those parts of the performance that reflected the selfless dedication of the grassroots in sticking to their posts, that realistically depicted the soldiers' marriage and love, and that were imbued with the spirit of General Secretary Jiang's National Speech were greatly welcomed by the audience.

Director Yang highly evaluated this soiree. He said: In the past, under the influence of the trend of thought of liberalization, some cultural units neglected to show the Army's glorious traditions and the fine virtues of the cadres and fighters in serving the people wholeheartedly. We must thoroughly transform this state of affairs.

He Qizhong Inspects Sichuan, Tibet Units

HK2110035789 Chengdu Sichuan Provincial Service in Mandarin 2320 GMT 20 Oct 89

[Text] From 6 to 18 October, He Qizhong, deputy chief of staff of the People's Liberation Army [PLA], inspected PLA units in the Aba and Ganzi Prefectures of Sichuan and Qamdo Prefecture in Tibet. He was accompanied by Liao Xilong, deputy commander of Chengdu Military Region, and responsible comrades of departments concerned. He gave important instructions on current army building, army-people unity, and ethnic solidarity work.

He Qizhong fully affirmed and highly evaluated the achievements and experiences of army and people in making common efforts to build the Sichuan-Tibet transport route into a civilized route in recent years. He commanded that this activity be continued and yield practical results.

Economic & Agricultural

Renminbi Exchange Rate Remains Unchanged

HK0211143989 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0805 GMT 2 Nov 89

["RMB Exchange Rate Remains Unchanged in the Next 6 Months"—ZHONGGUO TONGXUN SHE headline]

[Text] Beijing, 2 Nov (ZHONGGUO TONGXUN SHE)—Relevant State Council Departments have decided that to help stabilize the whole of the economic and political situation; within this year there will be no adjustment to the renminbi [RMB] exchange rate.

Sources say the concerned authorities have held many discussions about adjusting the RMB exchange rate. The decision not to adjust RMB is prompted by this year's severe financial and economic situation, the persistently large scope of price increases, and the recent Beijing disturbance.

However, the concerned authorities have found the proof, and made it clear that the RMB exchange rate will be adjusted, on which they have secured consensus in economic and theoretical circles. The remaining divergence is when and how much the adjustment will be. Most experts favor the necessary drastic adjustment to achieve its purposes, abandoning the option of adjustment by degrees. Some advocate a step-by-step implementation, not favoring a big jump. As for timing, some urge the quickest possible implementation, while others caution a slower schedule.

Some financial and foreign trade authorities consider the postponement of the exchange rate adjustment a temporary measure. Basically, to develop foreign trade and, in particular, to promote export, the RMB will have to be adjusted next year, if not this year. The whole issue is a matter of when the adjustment will be made.

Article Urges Adherence to Socialist Reform

OW0211045589 Beijing GUANGMING RIABO in Chinese 27 Oct 89 p 3

[Article By He Jianzhang (0149 1696 4545): "Firmly Adhere to the Socialist Course of Reform—What I Have Learned From Studying Comrade Jiang Zemin's National Day Speech"]

[Text] Comrade Jiang Zemin pointed out in his speech at the rally marking the 40th founding anniversary of the PRC: "It can be said that the current confrontation between the four cardinal principles and bourgeois liberalization can be largely observed from how we handle the issue of whether our reform and openness should firmly adhere to the socialist course." This is a very incisive judgement which epitomizes the essence of the sharp confrontation between the two stands and two viewpoints regarding China's reform and open policy during the last 10 years. And this is primarily where Comrade Zhao Ziyang erred when he was in charge of party and state affairs. Openly advocating "weakening party leadership," he said that "nobody can clearly explain what is the socialist course," and that adherence to the socialist course "should be discussed less, or not at all." Because of his support and encouragement, some cadres and people became confused by the spreading bourgeois liberalization ideology. The urgent thing to do at present is to thoroughly eliminate the ideological confusion and uphold the four cardinal principles even more firmly so as to safeguard the socialist course of reform. Comrade Jiang Zemin's speech profoundly summed up the experiences and lessons we have learned during the last 40 years, and especially the last 10 years since the country embarked on reform, and presented us with the guiding principles for future action.

1. While Developing All Kinds of Economic Ingredients, We Must Uphold the Principle That Socialist Public Ownership Must Play the Dominant Role

Following the convocation of the 3d Plenary Session of the 11th CPC Central Committee, we have corrected the

mistaken idea that it would be better if more production means were publicly owned and that greater purity of our socialist society could be achieved. That was an unrealistic pursuit which was not in line with China's actual situation. Considering the different degrees of development of productive forces in China, it is necessary and beneficial for the socialist, publicly-owned economy to replace the system in which all production means are publicly owned with a system under which all kinds of economic ingredients—including independent and private economies and Sino-foreign joint ventures, cooperative enterprises, and enterprises funded by foreign capital—can develop while public ownership remains dominant. In fact, the nation has made fairly substantial progress in this regard during the last decade, and a pattern in which public ownership is dominant and coexists with all kinds of economic ingredients has begun to take shape. Rough estimates show that of the total value of the nation's fixed assets in 1988, 72 percent belonged to state-owned enterprises, 16 percent to collectively-owned enterprises in cities and rural areas, 8 percent to rural households which operated on output-based contracts, 2 percent to independent and private economies, and 3 percent to enterprises funded by foreign capital. And of the total quantity of social labor registered at the end of 1988, 18.4 percent was from workers of state-owned enterprises, 19.3 percent from workers collectively-owned enterprises in cities and rural areas, 57.8 percent from peasants (laborers engaged in agricultural, forestry, animal husbandry, sideline, and fishery production), 4.2 percent from workers employed by independent and private economies, and 0.2 percent from workers employed by all types of enterprises funded by foreign capital. These figures show that the number of workers of socialist, publicly-owned enterprises contributed 37.7 percent of the total social labor and that they owned 88 percent of the value of production means, including 72 percent owned by workers of the 18.4 percent state-owned enterprises. Furthermore, large and mid-size state-owned enterprises control the national economic lifeline and have the most advanced production equipment and the best scientists, technicians, and administrators. All this shows that socialist public ownership is playing a dominant role, as well as a leading part in the national economy. So far the independent and private economies owned only 3 percent of the capital and 4.2 percent of the labor force. Despite this small percentage, they play an indispensable role in developing social production, providing services the people need, and creating more job opportunities. Besides, there is still considerable room for expansion. Just how large a percentage the nonpublicly-owned economies should play in the national economy should be determined in the light of China's actual productivity and objective needs. But no matter how great the percentage may be, these economies will not endanger the dominant role played by socialist public ownership. This is an issue which concerns the principle of upholding the socialist course of reform, but it is specifically where sharp differences exist.

Some people rack their brains to negate the leading role of the socialist public ownership system, and prepare public opinion for the private ownership system. All along, the public ownership system has been the most fundamental feature of the socialist economic system. This is basic Marxist knowledge. But some people have kicked up a fuss over this interpretation, claiming that the works of Marx and Engels "are basically devoid of any socialist public ownership system concept." Some comrades have already written articles to refute this assertion. (Zhou Longbin: "A Comment on the Ideological Trend of Privatization," carried by RENMIN RIBAO on 4 September 1989.) I am in favor of such a refutation. Some articles have criticized the public ownership system, and openly declared that the system of ownership by the whole people or by the state "shackles the development of modern productive forces," and that they would rather "take the road of privatization altogether" and implement "a socialist private ownership system." These assertions are completely groundless, and totally negate the facts of economic development in China. In the past 40 years since the founding of New China, not counting the unusually high growth rate during the period of economic rehabilitation from 1949 to 1952, in other words, during the 26 years from 1953 to 1978, the gross national product increased at an average annual rate of 6.1 percent, calculated on the basis of comparable prices. This ranked China among the frontrunners in the world. It should be pointed out that this achievement was made before we undertook reform of the economic system, at a time when the old system was still filled with many drawbacks, and mistakes were committed in our economic and social development strategy. After adopting the reform policy, that is, from 1979 to 1988, China's gross national output increased at an average annual rate of 9.6 percent, greatly exceeding the average annual rate of 2 to 4 percent of most countries in the world. From 1949 to 1987, labor productivity of state-owned industrial enterprises in China increased 3.6 times, and the average annual growth rate was much higher than that of well-developed industrialized nations during that period. All these achievements were made when the socialist public ownership system was playing a leading role. From 1950 to 1988, the accumulated investment in fixed assets in state-owned units in China amounted to 2,153.8 billion yuan, and their newly increased fixed assets reached 1,561.9 billion yuan, compared to fixed assets of only 12.8 billion yuan throughout China in 1949. In other words, newly increased fixed assets in New China in the past 40 years were more than 120 times the accumulated total of the thousands of years of Old China. Now China has established an independent and fairly comprehensive industrial system and national economic system. A large part of this tremendous amount of accumulated funds was generated by units of the socialist public ownership system. Under a private ownership system, most of the national income is squandered and wasted, and it is impossible to accumulate so much wealth so quickly, undertake construction projects on such a large scale, or guarantee such a high growth rate. The tremendous

achievements of New China have attracted attention throughout the world, and are recognized by all unprejudiced people.

Under the socialist system, the public ownership economy constitutes the primary support of socialist modernization, the main source of the state's financial revenue, and the material foundation for the state to regulate the market. Summing up, only by upholding the leading role of the public ownership system can a socialist country acquire unified social interest and solid material power; coordinate the diversified demands of different interest groups; guarantee coordinated, stable, and rapid economic and social development; and eventually achieve the goal of common prosperity for all members of society. This is precisely why we should adopt a preferential policy toward public ownership economy. Comrade Jiang Zemin said: "The state should support the development of public ownership economy in terms of funds, credits and loans, energy, and supply of raw and semifinished materials, while thoroughly reforming the management of enterprises under the public ownership system." Only in this way can we constantly consolidate the leading position of the public ownership system. It is obviously wrong for those who make remarks and take actions that do not distinguish between the leading and supportive forces; who demand equal treatment for individual economy, private economy, and public ownership economy; and who employ inappropriate means to build up huge entities of individual and private economy.

While negating the dominant role of public ownership, some people excessively advocate the positive role of individual and private economies and avoid mentioning their negative role. They talk of embracing those economies and do not speak of restraining them. They even call for gradually replacing public ownership with private economy. They say: "Viewing the private economy as being only a 'supplemental part' of the national economy is obviously a vague theory." They even propose that "by building up the current private economy ...[ellipses as printed] a major part of the state economy can be gradually transformed into or even replaced by it." Comrade Jiang Zemin's speech provides a clear answer to this proposal: The dominant role of public ownership and the supplemental role of individual and private economies cannot be reversed. On the individual and private economies, "our policy is first to foster them vigorously within the limits permitted by the state, and second to manage and guide them through economic, administrative, and legal means. As such, we can enhance their positive role and curtail their negative role in impeding the development of socialist economy."

At present, individual and private forms of economy play a dual role in our country, economically and politically. On the one hand, their function is vital and beneficial to the socialist economy of public ownership. On the other hand, as a form of private ownership, they have a capitalist strain. To wrest sources of goods and market shares from public concerns, many self-employed

people and private business operators offer rebates or bribes in their buying activities. They lure away key technical personnel from public enterprises with attractive salaries and compromise consumer interests by passing off inferior goods on them or shortchanging them. A more common problem is that over 80 percent of these business operators are involved in tax evasion. According to our recent investigation in Guangzhou, private slaughterhouses there, both legal and illegal ones, evaded taxes totaling 15 million yuan in 1988. Tax inspection begun in August reveals that self-employed business operators in Yuexiu District alone have cheated the state of 1.4 million yuan in tax revenues. Eighty-six percent of the self-employed business operators there have engaged in such fraudulent activities. Quite a few have even engaged in smuggling, profiteering, and other activities to earn money illegally. Self-employed people and private business operators generally earn more incomes than those in other sectors of society. Some of them have become upstarts through illicit business operations. This is one of the reasons for the unfair distribution of wealth in today's society. As beneficiaries of reform, these people champion the party's leadership and the reform policy. By the end of 1988, the production and operating funds of self-employed and private business operators in China totaled 60 to 70 billion yuan. The numbers of private enterprises with capital of 1 million yuan or more and "ten-millionaires" with capital of 10 million or more exceeded, respectively, 4,000 and 200 by the end of 1986 and 1988. As private owners, self-employed people and private business operators strongly resent the government's efforts to tighten control over them and to restrict their economic activities. They also resent the government's crackdown on their illegal business operations. More than anything else, they resent the recent tax inspection. Some have put up passive resistance by scattering or diverting their funds, scaling down their commercial activities, and suspending their business operations. This shows that restriction and counter-restriction are inevitable in a multisector economy. We should educate the self-employed laborers and private business operators on the need to observe discipline and the law. We should foster vocational ethics among them, acquaint them with the prevailing situation and policies, inspire patriotism in them, and strengthen management and guidance in order to enlist their service in socialist modernization.

2. While Practicing Multiple Forms of Distribution, We Must Adhere to the Principle of Distribution According to One's Work and Prevent and Correct Unfair Distribution of Wealth in Society

Various forms of distribution of wealth have evolved to complement the development of a multisector economy. The leading role of public ownership has established distribution according to one's work as the main form of distribution in society. According to this mode of distribution, the quantity and quality of one's work serve as the criteria for remuneration under the public ownership system in order to overcome egalitarianism and avoid unjustified disparities. The income of employees in

public enterprises should serve as the main norm for assessing the fairness of distribution in society. The reforms of recent years have led many state enterprises to institute various forms of contract responsibility system. These enterprises have also set up an internal responsibility system to define the obligations and rights of each level or individual. Consequently, egalitarianism has been overcome in some enterprises. However, some entities, especially public institutions and party and state organizations, still have to eliminate equal distribution among their wage-earning employees. Some localities, departments, and occupations have even experienced an expansion of egalitarianism. Meanwhile, wide income differentials have spawned a new system of unfair social distribution of wealth. This phenomenon is mainly manifested in the big income gap between salaried workers, cadres, and intellectuals and employees in nonproductive enterprises and "secondary occupations." The income gulf is particularly big between wage-earning workers, cadres, and intellectuals and workers in private enterprises and self-employed persons. According to a survey done by the Guangzhou City Industrial and Commercial Bureau, the monthly income of self-employed business operators in that city averaged 1,000 yuan in 1988. This compares with the following average monthly wages of employees in various state enterprises:

	Average wage of workers (in yuan)	Ratio between this average wage and that of self-employed persons
All state enterprises in Guangzhou	223.58	1:4.5
Industrial enterprises	225.17	1:4.4
Commercial and catering industries	205.92	1:4.9
Educational, cultural and artistic establishments	185.33	1:5.4
Scientific research institutes	198.33	1:5.0
Public institutions, party and state organizations	202.42	1:4.9

Some self-employed business operators rightly deserve their incomes because they work longer hours, averaging 10 to 12 hours a day. With an annual interest rate of 20 percent, each self-employed business operator, with average paid-in capital of 3,558 yuan, should earn 70 yuan in interest each month. Employees in state enterprises, on the other hand, get a monthly average of 170 yuan in medical expenses, old-age pensions, housing benefits, and other perquisites in addition to their monthly wages. In this respect, the income differential between the average self-employed person and the average employee in a state enterprise is about 1:2. The income of some private business operators is way above that of either of these two groups. According to a survey by the Guangzhou City Party Committee's research institute, the city currently has approximately 200 and

500 private business operators with monthly incomes averaging 10,000 and 5,000 yuan, respectively. Their incomes are 25 to 50 times that of the average employee in a state enterprise.

Most employees in public enterprises have seen their incomes increase substantially in the past 10 years of reform. However, their incomes still lag far behind those of self-employed people, particularly those of private business operators and upstarts who have managed to amass hundreds of thousands, or even millions, of yuan in a few years. Many people feel that their labor input has been underrated, and they are inflicted with a sense of being exploited. According to a survey by the Guangzhou Public Opinion Poll Center, 96.6 percent of the respondents believe that their economic status is lower than that of self-employed people. Among the intellectuals interviewed in the survey, 77.3 percent feel that their economic incomes are inconsistent with their contributions to society. Ninety-five percent of the teachers polled say their low incomes are unfair, and 58 percent of the teachers canvassed hope to switch to other occupations. Income disparities have even affected students in schools. Students, including primary school pupils, have grown tired of academic pursuits. This has given rise to new doctrines about the futility of pursuing knowledge and going to school.

At some point, there was propaganda focusing unduly on the aversion of people to inequitable distribution of wealth in society. This propaganda claimed that people were afflicted with the "red eye disease" and gripped by a desire to revert to egalitarianism. The views reflected in such propaganda are biased. In reality, people have only respect for those individuals who prosper through honest labor and legitimate business operations. They can tolerate the practice by which private business operators retain a portion of their surplus profits. They only abhor those individuals who reap staggering profits from profiteering, bribery, tax evasion, corruption, and theft. Wealth in society is created by working people. The acquisition of huge profits through illicit activities is, in effect, a pillage of society and of the wealth generated by working people. Inequitable distribution of wealth in society has sapped the enthusiasm of the broad masses of workers, cadres, and intellectuals. It has led to an increase in consumption funds, vitiated social mores, and adversely affected social stability. Unfair distribution of wealth is not only an economic problem. It is also a social and political problem. We must attach great importance to this problem and seek a solution in earnest. We should protect those people who earn profits legally, regulate excessively high incomes by taxation, and resolutely crack down on illegal incomes.

3. While Combining Planned Economy with Market Mechanism, We Must Criticize Any Attempts to Weaken or Wholly Negate the Planned Economy and Practice A Complete Market Economy

As far back as 1981, the party Central Committee's "resolution on a number of historic issues that has cropped up

since the founding of the nation" stated that: "It is necessary to practice a planned economy on the basis of public ownership. At the same time, it is essential to bring out the supplemental role of market forces." The 1984 "resolution of the CPC Central Committee on economic restructuring" further pointed out: "In reforming the planned economy, it is necessary to first discard the traditional concept that a planned economy runs counter to a commodity economy. It is essential to understand that a socialist planned economy is based on the application of the laws of value. It is a planned commodity economy predicated on the system of public ownership." The planned economy practiced by a socialist state on the basis of public ownership is essentially different from the market economy practiced by a capitalist state on the basis of private ownership. The conscious implementation of a planned, balanced economy by a socialist society reflects the superiority of socialism and constitutes a fundamental trait of the socialist economy. It is also a basic concept of Marxism. The socialist economy is based on the commodity concept because a commodity economy is an inevitable phase in developing a socialist economy. However, such a commodity economy is different from the one built on private ownership and characterized by disorderly production. The commodity economy in a socialist state is guided by planning. This standpoint of our party constitutes a major development of Marxism and of scientific socialism. It is a cornerstone of our efforts to reform our economic structure, particularly our planned economy. While practicing planning and guidance, we have in the past decade managed to bring out the positive role of market forces. As a result, we have achieved remarkable results in developing our national economy, enlivening our markets, and improving the living standards of our people.

As to the relations between planned economy and market regulation, economic circles have had heated discussions and offered some useful opinions, but there are obvious differences among them. Since it is an important theoretical as well as practical issue, further exploration is needed to settle differences. However, what has caught our attention in the discussions is that some people try to belittle, or even completely negate, planned economy and lopsidedly advocate the spontaneous regulating function of the market. They argue that since socialist economy is a commodity economy, the state should try to intervene in the market as little as possible; and only when there are problems that cannot be solved through the market mechanism should the state step in. In other words, the market does the initial regulation of the economic machinery, and the state does the secondary regulation merely to supplement the market. This belief has gained such popularity in recent years that "planned economy" has become taboo. In our newspapers, market economy has replaced planned economy. And under the auspices of Comrade Zhao Ziyang, "cultivating the market" became the foremost task in economic reform, "planned commodity economy" became out-and-out market economy, and "market socialism" became the goal some people set out to pursue.

What is "market economy?" Some comrades have looked through major Western authoritative literature and concluded: "'Market economy' has become a standardized concept with a specific definition. In the main, all economic activities based on private ownership and with highly decentralized decision-making are regulated by the 'invisible hands' of market forces." (See 17 June 1989 GUANGMING RIBAO article by Wei Xinghua [5898 5281 5478] titled "What is Market Economy?") Marxists have always believed that planned economy, being the opposite of market economy, came into being when public ownership replaced private ownership. Western developed capitalist countries see the promotion of market economy in socialist countries as a means to realize their "peaceful evolution." The U.S. WALL STREET JOURNAL on 11 August 1988 carried an article titled "Strategic Change: U.S. Redefines Security Policy." The article said the U.S. "new security policy... [ellipses as printed] the purpose of it is to facilitate positive changes, like spreading the democratic concept and market economy in the Third World and even in the East Bloc." Western developed capitalist countries, without disguise, openly declared that their support for reforms in socialist countries and their assistance to those countries were contingent on the implementation of market economy and the abolition of planned economy. When they were disillusioned, they became angry and meted out "sanctions." This in effect proves that we have done things right all along.

It should be pointed out here that the majority of those who advocated that socialist economy is market economy overlook the fundamental characteristics of socialist economy and, as a result of their misunderstanding, equate socialist commodity economy with common commodity economy. However, there also is a small number of people who deliberately and closely link implementation of market economy to privatization of economy. There have been many articles which refute those fallacies. Comrade Jiang Zemin's speech also gave an unequivocal rebuttal: "It will not do in China to try to blindly weaken or even completely negate planned economy in order to achieve complete market economy. Instead, it will only turn the whole economic and social life into chaos." Under the socialist system, if we allowed the market to run its course without any macroeconomic management and planned guidance, the various social production departments and enterprises would lose their common goal and conduct; as a result, public ownership would fall apart and the restoration of capitalism would be inevitable. Incidentally, the tide has turned against the blind worship of the market's spontaneous regulation, even among modern bourgeois economic theories. Modern bourgeois countries cannot but step up state intervention, stage "state plans" of various forms, and call theirs a "government-regulated market economy." Even insightful people in the capitalist world must admit this. For instance, some of them have put it this way: "Keeping our hands off and letting the market decide economic changes is not only like trusting blindly but also will revert our understanding of economic

policies to that of the primary commodity stage of capitalism. At the so-called laissez-faire capitalist stage, there was never any true and perfect free market; instead, there was colonialist and savage social evolution." (2 April 1989 YATAI JINGJI SHIBAO [ASIA-PACIFIC ECONOMIC TIMES] article "Do not Blindly Trust Market Forces" by Chen Wenhong [7115 2429 7703]) In China, blindly weakening or even completely negating planned economy and completely implementing market economy risks the danger of restoring capitalism and reduction to being a vassal of Western developed countries, which no Chinese people will agree to.

Article Discusses Views of Individual Ownership

OW0211081789 Beijing GUANGMING RIBAO
in Chinese 21 Oct 89 P 3

[Article by Zhi Xiaohe (2535 2400 0735): "Comment on Several Viewpoints Regarding 'Individual Ownership'"]

[Text] When discussing the socialist public economy, particularly reform of the economic system of public ownership, some people have bestowed new interpretations on Marx's views on the "reestablishment of individual ownership." In my opinion, some of their interpretations are open to question.

What Is "Individual Ownership?"

What we are going to discuss is the "individual ownership of laborers," which was reestablished after the disappearance of capitalism. Here, Marx employed this term in a special context.

Regarding this individual ownership, theoretical circles have long based the interpretation given by Engels in his "Anti-Duehring." Engels pointed out that so-called individual ownership, based on the public ownership system of means of production through the production of land and labor is "to anyone who knows German, referring to the public ownership system, which includes land and other means of production; as for individual ownership, it includes products, namely, consumer goods." (Selected Works of Marx and Engels; Vol 3; p. 170) Engels also pointed out that, after destroying the capitalistic style of ownership, the style of product ownership in society in the future would be, "on the one hand, direct socialist ownership, as the means of maintaining and expanding production; on the another hand, direct individual ownership, as the means of life and enjoyment." (ibid; pp 319-320).

The interpretation of Engels on individual ownership is undoubtedly very authoritative. However, it is still open to question. First, in a society which practices the public ownership system, consumer goods are considered the results of everyone's labor, and owned by all prior to the distribution of consumer goods; they are not owned by the individual. Second, after distribution of consumer goods, they will be owned, used, and consumed by individual laborers. This kind of situation exists in any society; the only difference lies in the fact that the nature

of individual consumer goods is different in different societies. Third, Marx once defined individual ownership in future society as "joint, social, individual ownership," namely, "nonisolated individual ownership;" from the context, Marx clearly meant that these are workers' "social owning, not individual owning these means of production." (Collective Works of Marx and Engels; Vol 48; p. 21) It is obvious that the interpretation of Marx on owning the "means of production" by "social individuals" is different from that of Engels.

I have taken the liberty of assuming that the "individual ownership," as Marx wrote in the first volume of *Das Kapital*, actually refers to the ownership of the means of production and products; it is nothing but saying public ownership in another form. Here, Marx, taking a philosophical vantage point, used the law of the negation of negation from dialectics to sum up the development of social economic formation. He pointed out that capitalism, by negating a kind of individual ownership, namely, small private ownership, winds up by having itself negated, which, in turn, leads to another kind of personal ownership, which is public ownership of land and other means of production, or social individual ownership.

The transition from small private and individual ownership to public and social individual ownership amply illustrates the fact that the process of the negation of negation is not the simple return to individual ownership; rather, it signifies an advance to a new and higher form. That Marx termed the public ownership system in future society individual ownership has not only something to do with philosophical generality, but it also has to do with these two ownership systems, which, though fundamentally different in nature, do share some common form and characteristics; the two ownership systems all have the results of labor as a basis; both are ownership systems not exploiting the labor of others.

All in all, the individual ownership system according to Marx is by no means individual ownership of means of production. Marx made it very clear in this regard, that is, "not the reestablishment of private ownership."

The So-called "Private Ownership Under Which Everybody Owns"

One view is that there are two types of private ownership. First, there is "private ownership under which some people own"; "namely all the production means in society are owned by some people in society." Second, there is "private ownership under which everybody owns"; "namely 'individual ownership.'" People with this view believe that "it was the first type of private ownership, not the second, which Marx criticized."

This view is wrong in many respects:

First, private ownership is private ownership. It cannot be divided into "private ownership under which some people own" and "private ownership under which everybody owns." There are, of course, different forms of

private ownership, but, as long as it is private ownership, it must be the private ownership under which only some people own, otherwise there is no such thing as exploitation, which is symbiotic with private ownership. In this sense, claiming that what Marx criticized is the private ownership under which some people own is merely repeating something synonymous.

Second, in a class society, ever since the appearance of private ownership, there has been a small private ownership, or small production, based on laborers' individual labor, aside from the private ownership dominated by ownership of the exploiting classes. Individual laborers' small production has never become—and will never become—an independent socio-economic form. It can only be tolerated within the narrow and natural space in production and society. [zhi neng tong sheng chan he she hui de xia ai de zi ran chan sheng de jie xian xiang rong 0662 5174 0681 3932 3937 0735 4357 2585 4104 3707 7137 4104 5261 3544 3934 3932 4104 3954 7098 4161 1369]. Thus, in a general sense, the results of establishing a universal "private ownership under which everybody owns" will inevitably begin with small production and end with "private ownership under which only some people own"—a system under which the majority is exploited by the minority.

Third, under a public-owned economy, each and every laborer is an owner. In this sense, the system may also be called a system under which everybody owns. But this does not mean that each individual laborer is an independent owner of the production means or the products of labor. Laborers are real owners only under the condition where the production means are owned in the name of the social community. If any laborer wants to exercise his right to own independently under a full-blown publicly-owned economy, he would be actually splitting and undermining the public ownership system. Thus, the goal that each and everyone can really own can only be achieved under a publicly-owned system in which all laborers own as a community, and cannot possibly be so under private ownership, in which individuals can be independent owners.

While explaining that individual ownership as "private ownership under which everybody owns," certain people also equate "private ownership under which everybody owns" as "social-individual ownership" [she hui ge ren suo you zhi 4357 2585 0020 0086 2076 2589 0455], saying that this ownership is "a social ownership, as well as individual ownership," and that it is "an organic integration of social ownership and individual ownership." These people assert that individual ownership, which means production means are "individually owned," is the basic concept of ownership of future society" in the minds of Marx and Engels.

As I see it, the various forms of ownership in a future society presented by Marx mean exactly the same thing. What he referred to is what we usually call "public ownership." Thus, the claim that "social-individual ownership" is something which is "social ownership as

well as individual ownership" can be established only when the two concepts have the same substance. As for Marx' concept of "social-individual ownership," it was one relative to the "isolated, individual ownership," or small private ownership, and is absolutely not an "organic integration" of "social ownership" and "individual ownership," under which production means are individually owned. This shows that it is completely groundless to assert that individual ownership of production means is the "basic concept of ownership of future society" in the minds of Marx and Engels.

The So-called "Individual Ownership and Joint Possession"

A comparatively more influential interpretation of "individual ownership" in recent years is "individual ownership and joint possession" of the means of production. Some people think this viewpoint was "advocated" by Marx and is the way to reform state ownership.

Literally speaking, "individual ownership and joint possession" is contained in Marx' words—"to rebuild individual ownership on the basis of joint possession of the means of production." However, the two formulations are entirely different. In Marx' words, "individual ownership" means public ownership or "joint possession." Nevertheless, those who interpret his words first emphasize the individual ownership of the means of production, or in other words, "individual property." By "joint possession," Marx meant "joint ownership" and "shared use," but those who interpret it say that it means "individual ownership" and "shared use."

In order to prove "individual ownership and joint possession" of the means of production, some people quote the Communist Manifesto as saying that communism does not mean "transforming personal property into social property." They think that "the possession of personal property by the laborers is indispensable for them to achieve the freedom of personality." In fact, these words in the Manifesto were about capital. Since the bourgeoisie attacked communism for wanting to "abolish personal property," Marx and Engels said in refutation: "When capital is converted into common property, into the property of all members of society, personal property is not thereby transformed into social property."

So, this cannot prove at all that Marx and Engels advocated laborers' ownership of personal property, or in other words their personal ownership of the means of production, under the communist system. The view that "the possession of personal property by the laborers is indispensable for them to achieve the freedom of personality" is also specious. In the capitalist and earlier class societies, a laborer is a small producer if he can freely have his own production conditions, but a small producer will sooner or later be eliminated by large-scale production. For this reason, Marx and Engels never wished that laborers should keep their "personal ownership" of the means of production. On the contrary, the

theories of Marx and Engels prove that, when capitalism develops to a certain stage, private ownership must be replaced by public ownership in order to bring about a great development of the productive forces.

Some people describe laborers' holding of stocks of a joint-stock company as a "new-type public ownership" and as conforming to the "individual ownership" advocated by Marx. They also describe such a joint-stock system as a way to reform state-owned enterprises. This view is open to question.

First, if we adopt the joint-stock system to reform state-owned enterprises, when can we popularize such joint-stock companies? Perhaps they will never be popularized, unless "public property is turned into private property" by giving stocks free to workers and staff members.

Second, after the stock market is established, who can guarantee that every laborer is a stock holder? I am afraid it won't take long for the "sharing of stocks by all" to become "monopoly of stocks by some." In that case, can we still call it "new-type public ownership"?

Third, the essence of such a joint-stock system is its stress on "personal property," and its "public-ownership" character is shown only by "sharing" the means of production. If this is called public ownership, then haven't the means of production been long under public ownership in capitalist society?

In order to describe "the joint-stock system with laborers holding the stocks" as a system of public ownership, those people are playing the trick of substituting "shared use" for "joint possession" and "joint ownership," and confusing "collective (joint) ownership" with "sharing of stocks by all."

The above is my comment on the two relatively more prevalent viewpoints on individual ownership. However, I am not opposed to development of private economy in an appropriate way during the current stage of socialism. I stand for laborers to play the master's role in the course of reforming the state ownership in a principle of "properly separating ownership from managerial authority."

State Industrial Productivity Growth Slows

OW031115789 Beijing XINHUA in English
0824 GMT 3 Nov 89

[Text] Beijing, November 3 (XINHUA)—The average labor productivity of state-owned industries in the first three quarters of this year was 2.7 percent higher than in the corresponding period last year, according to China's State Statistics Bureau.

Figures show that 53 percent of the 28.6 billion yuan in newly increased industrial output value came from the increase in labor productivity.

The industrial output value of state industries totalled 578.3 billion yuan, 5.2 percent higher than in the same period last year.

The scale of heavy industry productivity increase was higher than that of light industry. Of the 20 billion yuan in the newly increased value of heavy industry, 68 percent came from increased productivity.

Affected by industrial production control, the growth of average labor productivity slowed down month by month in this year's third quarter, and September saw a negative growth.

Compared with the same period last year, the scale of increase of productivity for state industry in July was four percent, in August, 2.1 percent, and in September, 1.8 percent lower than in the same month last year.

Development of Energy, Raw Materials Stressed

OW031115389 Beijing XINHUA in English
0841 GMT 3 Nov 89

[Text] Beijing, November 3 (XINHUA)—China will play equal stress on building new energy and raw material projects, and energy conservation in the 1990s, the "PEOPLE'S DAILY" reported today.

The country will build a number of hydroelectric power stations on the Yellow, Yangtze and Hongshui Rivers, and some thermal power stations in coastal areas. In addition, some more railway lines leading to big coal mines will be installed over the next 10 years.

China will also build more nuclear power stations in energy-short regions, and expand nuclear power installations at Qinshan and Guangdong.

The development of coal mines in Shanxi and Shaanxi Provinces, and the Inner Mongolia Autonomous Region will be speeded up, the paper says.

Meanwhile, the country is to launch a national drive for energy conservation and more economical use of low-quality coal.

The paper reported that existing steel works will be upgraded and expanded in a bid to increase their production capacity.

In the nonferrous metal industry, priority will be given to production of aluminum, lead and zinc.

Also, the country is planning to build more large-scale petrochemical works and phosphate fertilizer factories.

Industrial Product Quality Stagnates

OW011125189 Beijing XINHUA in English
0857 GMT 1 Nov 89

[Text] Beijing, November 1 (XINHUA)—The current 74.7 percent figure for industrial products meeting

quality standards shows no apparent improvement over the past four years, today's "ECONOMIC DAILY" reported.

The technology superintendency of the People's Republic of China has made more than 20 large-scale spot checks since it established its selective examination procedure in 1985, the paper said.

More than 12,600 plants and enterprises have been examined and 18,000 products have been tested. Only 73.7 percent meet the standards, the paper noted.

The percentage of products meeting standards in the third quarter was 74.7 percent, a drop from the 76.4 percent of the first quarter and 76.7 percent of the first quarter.

To improve product quality, quality control laws must be enacted, the paper said.

More Foreign Tourists Visit Major Cities

OW0311114589 Beijing XINHUA in English
0855 GMT 3 Nov 89

[Text] Nanning, November 3 (XINHUA)—The number of foreign tourists visiting China's major cities has been increasing steadily since August.

Statistics released at the third mayors' meeting of four major cities—Xian, Hangzhou, Suzhou and Guilin—showed that the number of foreigners, Overseas Chinese, and compatriots from Hong Kong, Macao and Taiwan visiting the four cities reached 54,000 in September, double and 63 percent more, respectively, than in July and August.

The four cities received total of 1.44 million tourists last year and earned 187 million U.S. dollars in foreign exchange.

However, the number of foreign tourists dropped sharply after the crackdown on the anti-government riot June 4.

The five-day-long meeting ended here last Saturday.

Farmland Capital Construction Launched

OW0311061189 Beijing XINHUA in English
0213 GMT 3 Nov 89

[Text] Beijing, November 3 (XINHUA)—A massive farmland capital construction drive is in full swing across the country, the "PEOPLE'S DAILY" reported today.

The drive is focusing on irrigation projects to ensure a good harvest next year.

The Beijing-based newspaper said China's northeastern provinces, which used to suffer frequent droughts, have concentrated funds, labor and material to combat the problem.

Liaoning Province launched a farmland capital construction drive in 1987. Jilin and Heilongjiang Provinces followed suit this year.

The government of East China's Shandong Province has called on farmers to improve irrigation systems by relying on their own efforts.

Hunan Province in Central China began its farmland capital construction one month earlier than previous years. By mid-October this year, more than 77 million farmers had turned out to build 126,500 irrigation projects.

The Guangxi Zhuang Autonomous Region in southern China, which suffered a severe autumn drought, is mobilizing all civilians and soldiers to join in farmland irrigation work.

Sales Rules Set for Timber Not Alloted by State

OW3110154889 Beijing XINHUA Domestic Service
in Chinese 1318 GMT 30 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 30 Oct (XINHUA)—The Ministry of Forestry and the State Administration for Industry and Commerce recently issued a "Circular on Strengthening the Management of Timber Not Distributed by the State." The circular spells out regulations governing units dealing in timber not subject to centralized distribution and the marketing operations of these units. The regulations will go into effect on 10 November 1989. According to the circular, the following units may deal in timber not distributed by the state in accordance with the law:

1. State-owned forest zones: In this category the units include state forestry enterprises and timber operations units under the forestry departments in the forested areas of northeast China and Inner Mongolia, and in some forest zones of southwest and northwest China.

2. Collectively-owned forest zones: In this category the units include state timber operations units under the forestry departments in some forested areas of Fujian, Jiangxi, Zhejiang, Anhui, Guangdong, Hainan, Guangxi, Hunan, Hubei, Guizhou, southeast China, and northeast China.

3. Local state-run forestry farms with self-marketing power granted by the people's governments at or above the county level, and units charged with running forestry farms or timber operations.

4. Timber operations units under forestry and materials supply departments. A forestry or materials supply department in an administrative district can only authorize one timber operations unit in that district to deal in non-state distributed timber.

5. Supply and marketing cooperatives in lumber producing areas and in towns with a substantial timber demand.

6. Timber-producing farms run by the state and Overseas Chinese for agricultural purposes, and units that produce timber for non-forestry purposes.

7. Individual industrial and commercial concerns authorized by the industrial and commercial departments in timber marketing areas to deal in timber.

The circular limits the timber operations units under state forestry departments and local state forestry farms, as well as other timber-producing units, to selling the timber they produce that is not distributed by the state. The timber operations units in collectively-run forest zones are restricted to selling the timber they purchase, while the cooperatives in timber-producing areas are confined to engaging in small-scale lumber operations. Moreover, the cooperatives in towns with a substantial timber demand are limited to retail sales of timber. The individual industrial and commercial concerns in timber marketing areas may only buy timber for retail purposes from local timber operations units and may only deal in old timber. They may not buy the wood directly from forest zones; nor are they permitted to transport timber. Units and individuals not specified in the circular are not allowed to deal in timber.

State Council Establishes Prawn Production Rules

OW0211031089 Beijing XINHUA in English
1604 GMT 1 Nov 89

[Text] Beijing, November 1 (XINHUA)—The general office of the State Council called a meeting recently to formulate rules to protect the production of prawns.

It has called on provincial, municipal and autonomous regional governments and ministries concerned to obey them strictly. They are as follows:

First, local governments must take into consideration the high costs of prawn production when levying taxes on breeders.

Second, local governments should examine and cancel unreasonable taxes imposed on breeders.

Third, the state administration of commodity prices and the Ministry of Foreign Economic Relations and Trade are invited to set a minimum purchasing price of 16 yuan a kilogram for prawns and local governments should set similar minimum purchasing prices.

Fourth, banks should help to provide enough money for purchasing prawns and give priority to those prawn-producing areas when issuing loans.

Fifth, the Ministry of Foreign Economic Relations and Trade should try to increase the export of prawns so as to support prawn production.

Sixth, companies should try to reduce production and transport costs to bring the price of prawns on the domestic market within the reach of ordinary people.

Farmers' Housing Increases in Last Decade

OW0311101789 Beijing XINHUA in English
0632 GMT 3 Nov 89

[Text] Beijing, November 3 (XINHUA)—Between 1979 and 1988, Chinese farmers built 6.2 billion square meters of residential housing for about 86 million families.

Housing space per person in rural areas increased from 10 square meters in 1978 to 19.4 square meters in 1988, the "PEOPLE'S DAILY" reported today.

Housing quality has also greatly improved. Many of the new homes were built with bricks and wood, and 36 percent are multistoried.

Farmers have also invested in infrastructure and other capital investment projects, such as streets and highways, waterworks, energy and environmental improvement.

Officials Warn of Declining Pork Production

HK0311094289 Beijing CHINA DAILY in English
3 Nov 89 p 1

[By staff reporter Gao Jinan]

[Text] The hog industry continued to grow during the first three quarters of this year, but government officials warned of a possible decline ahead.

The State Statistical Bureau has issued a report showing that the number of adult hogs exceeded 182 million in the three quarters, a 3 percent increase over the same period last year.

Because pork is by far the most popular meat in China, the annual output of hogs has always been a top concern of the government and the citizens in this country.

By the end of September, there were 347 million hogs in pigsties, about 5.6 million more than last year.

Pork production reached 13.23 million tons in the first nine months this year in 27 provinces, municipalities and autonomous regions, according to the bureau.

The increase in hogs and in pork output should guarantee ample pork supplies for consumers for the rest of the year, the bureau report said.

In fact, it said, pork supplies in Beijing, Tianjin, Shanghai and other major cities could cover local consumption demands for the next six months.

But the bureau warned of trends that could signal problems in coming years.

Sichuan Province, the country's leading hog producer, experienced a sharp drop both in the number of hogs and

in pork production in the three quarters, by 690,000 hogs and 170,000 tons respectively.

The bureau listed the following problems that should receive more attention.

First, the price disparity between hogs and grain is discouraging hog farmers. The average price of grain in August was 1.05 yuan per kilogram, a 43.7 percent increase from a year before. But the price of hogs was 198.15 yuan per 50 kilograms, an increase of only 10.47 percent.

Second, higher prices and short supplies of feed led many farmers to abandon the once profitable industry, the bureau report said.

Third, commercial departments don't have enough money to purchase hogs.

Statistics show that commercial departments across the country owed hog farmers about 300 million yuan by September.

Paying farmers with IOUs has greatly lowered farmers' interest in raising hogs, the report said.

State Produces 1.23 Million Tons of Beet Sugar

OW0211125489 Beijing XINHUA in English
1049 GMT 2 Nov 89

[Text] Harbin, November 2 (XINHUA)—China produced 1.23 million tons of beet sugar in 1988-1989, a record, according to officials who attended a recent meeting on beet sugar production in Harbin City, capital of Heilongjiang Province.

Output was 67.9 percent higher than that of last year.

Experts say that the big increase in beet sugar production will ease the sugar shortage.

The experts are also predicting that beet sugar production will be greatly reduced in 1990 because of low prices which will put farmers off planting sugar beets.

Officials Attend Zhejiang Institute Opening

OW2810093089 Hangzhou Zhejiang Provincial Service
in Mandarin 1000 GMT 9 Oct 89

[Text] The China Rice Research Institute at (Huangping-pang) in Fuyang, a key state construction project for the Seventh 5-Year Plan, was inaugurated this morning.

Among those present at the inaugural ceremony were Minister of Agriculture He Kang; Li Zemin, secretary of the Zhejiang provincial party committee; Zhu Zuxiang, vice chairman of the provincial People's Congress Standing Committee; Vice Governor Li Debao; and Tie Ying, member of the Central Advisory Commission. Also present were Dr (Lanter), director of the World Rice Research Institute, representatives from the World Bank and the Rockefeller Foundation, and some 20 agricultural officials and experts from the United States, Japan, Thailand, and South Korea.

He Kang, Li Zemin, and Dr (Lanter) cut ribbons at the ceremony.

After reading a congratulatory message from Vice Premier Tian Jiyun, Minister He Kang spoke, expressing the hope that staff members of the Rice Research Institute will work hard to gradually build the institute according to the principle of basing itself on Zhejiang's reality, gearing to the national needs, and aiming at the world's advanced standards.

The construction of the Rice Research Institute was started in June 1981, with the approval of the State Council. The institute, which covers an area of 13 hectares, has a scientific experiments building, a reference and computer center building, a biological engineering building, a rice seed storehouse, an artificial weather [words indistinct], greenhouses, living quarters for visiting scientists and personnel undergoing training, and other supplementary facilities. The laboratories are equipped with scientific instruments worth about \$8 million. All this provides good working conditions and advanced means for scientific research.

East Region

Fujian Meeting Marks Party Paper Anniversary

OW2810140389 Fuzhou Fujian Provincial Service
in Mandarin 1100 GMT 16 Oct 89

[Text] The general office of the provincial party committee held a forum yesterday to mark the 40th anniversary of FUJIAN TONGXUN [FUJIAN NEWS]. Attending the forum were leaders of the provincial party committee and the provincial Advisory Commission; former employees, leaders, and editors of FUJIAN TONGXUN; leaders of provincial departments, colleges, and universities, and departments under the Fuzhou City government who have shown concern for and helped the newspaper to grow; and news publishers, contributing writers, and liaison men, totalling more than 180 people.

FUJIAN TONGXUN, the organ of the Fujian Provincial CPC Committee, was established on 15 October 1949. At the meeting, Comrade (Wan Ruiren), deputy leader of the organ, briefed the participants on the development of the newspaper's editing work in the past 40 years. Leaders of the provincial party committee and the provincial Advisory Commission, including Jia Qinglin, He Shaochuan, Wen Fushan, and (Huang Ming), cordially affirmed the achievements scored by FUJIAN TONGXUN over the past 40 years. They made many valuable suggestions for improving the party organ.

Comrade Jia Qinglin called on FUJIAN TONGXUN to carry forward its pioneering spirit and increase its attractiveness by displaying its special features as a local party organ. Party committees should treat it with enthusiasm and a sense of duty. To strengthen ideological and political work, they should organize party members to read the party organ. They should rely on the whole party in running the organ well.

(Zhao Zimin), secretary general of the provincial party committee, stressed at the forum: A party organ must believe in the party. To play its propaganda and guidance role more effectively, a party organ must firmly uphold the correct political direction; always publicize the party's line, principles, and policies; publicize the provincial party committee's will and plans to implement the party's line, principles, and policies; and publicize the practical deeds and typical experiences of the party committees, party members, cadres, and masses in our province in implementing the party's line, principles, and policies.

Before the forum was held, Comrades Chen Guangyi, Jia Qinglin, Hu Hong, Cheng Xu, Yuan Qitong, He Shaochuan, Wen Fushan, (Huang Ming), and (Zhang Yumin) wrote inscriptions and articles to congratulate and encourage the newspaper.

Shandong Demonstrator Gets Death Sentence

HK0211142589 Hong Kong AFP in English
1418 GMT 2 Nov 89

[Text] Beijing, Nov 2 (AFP)—A factory worker was condemned to death and four other Chinese sentenced to prison terms of 10 to 18 years for their part in demonstrations this spring in Shandong province, a local newspaper reported.

The October 29 SHANDONG LEGAL DAILY, received Thursday in Beijing, said Sun Baohe and two others overturned and set ablaze a car June 6 in front of a government building at Jinan, capital of the eastern Chinese province.

The incident occurred two days after the Chinese Army crushed student-led pro-democracy demonstrations in Beijing with the loss of hundreds of lives, triggering protests in several other cities.

Mr. Sun was sentenced to death while the others—factory worker Wang Lixin and office worker Wang Yong—were sentenced to 10 years each behind bars.

The newspaper did not say where or when the sentences were handed down. Death sentences are usually carried out immediately in China, with a bullet in the back of the neck.

It was the 13th death sentence officially reported in China since the June 4 crackdown, but diplomats and other sources have said the actual toll is much higher.

The LEGAL DAILY reported that Zhang Jie was sentenced to 18 years in prison for having organized on June 5 in the Shandong port of Qindao a ceremony honoring the victims of the Beijing massacre that attracted thousands of people.

Mr. Zhang, who is unemployed, was also accused of giving speeches two days later and trying to incite workers in the noted "Tsingtao" brewery to strike in solidarity with the democracy movement, the daily said.

A fourth man, identified as a peasant from Tianzhen, was sentenced to 10 years in prison for "counter-revolutionary provocation."

The man was said to have travelled with a group of students to Beijing to participate in pro-democracy demonstrations in May. Upon his return to Shandong province, he demonstrated with the students in Jinan and gave "reactionary" lectures in his home village, the daily said.

China's official press reported in June the arrest of at least five leaders of the illegal "Jinan Autonomous Federation" accused of wanting to overthrow the government.

Article Views Shanghai Political, Economic Situation

HK0311024289 Hong Kong AFP in English
0230 GMT 3 Nov 89

[By Patrick Lescot]

[Text] Shanghai, Nov 3 (AFP)—Although its usual bustle is back, this megalopolis of 12 million on China's eastern coast seems to have lost its dream of recapturing past glory after the bloody suppression of the democracy movement.

The city, China's largest, was one of the hardest hit by the anti-democracy crackdown, especially with its former mayor, Jiang Zemin, now leading the Chinese Communist Party as successor to the purged liberal Zhao Ziyang.

Forty years after the communists marched in, a city once considered the beacon of Asia is trying to return to its glorious past amid a climate of political uncertainty and the threat of economic recession.

A ranking city official was reported by his interlocutor recently to have bitterly complained that "In China, it is the leaders who are sick, but the people who must take the medicine."

The hardest hit by the repression of the "counter-revolutionary rebellion," as the pro-democracy movement is officially called, appear to have been intellectuals, journalists and dissident workers.

The exact number of arrests is officially unavailable, but there have been so many that the authorities have requisitioned one of the city's hotels to lodge detainees overflowing the prisons, a reliable source said.

Shanghai, formerly China's intellectual capital, is also likely to be the site of its first trial since the 1966-1976 Cultural Revolution of a writer for his opinions.

Unimpeachable sources have reported that 72-year-old Wang Ruowang, a leading figure of China's liberal intelligentsia is in jail and being kept incommunicado on orders from the Beijing authorities.

But even the powerful local branch of the Communist Party is divided on the impending trial of Mr. Wang, as it is over the decision to close down Shanghai's influential liberal weekly, the **WORLD ECONOMIC HERALD**.

"Believe me, most of the party cadres and members here frankly disagree with these decisions," said a city official, a 40-year party veteran who asked to remain anonymous.

The crowd at the Shanghai opera last week burst into laughter and applause when a clown from a visiting Beijing troupe quipped: "All the people who have lost face in China could fill a new National People's Congress."

It was a reference to China's rubber-stamp national assembly, whose imposing facade overlooks Tiananmen Square, the center of Beijing's pro-democracy movement in May and June.

Shanghai's encountered in the streets also are frank in their disapproval of the collective ideological re-education sessions they, like the people of Beijing, must undergo.

"The Communist Party today," commented a disgruntled cabbie, "is worse than the Kuomintang," the Taiwan-based nationalists the communists ousted when they came to power in 1949.

Many are proud of what they call the "stability" of Shanghai, where the pro-democracy uprising, unlike in Beijing, was not put down by the Army but by unarmed workers' militias.

Still, almost all persons interviewed here praised what they called "the courage" of those now jailed for their activities during the uprising.

The economic recession that is threatening the whole country has resulted here in thousands of workers being made redundant, and a return to a policy of centralization is cutting a wide swathe through local industries, mostly huge state enterprises.

The current crisis at Shanghai's Volkswagen-Santana plant, once a showcase of Sino-foreign cooperation now threatened with a total production standstill, is likely to become a test for the future of China's open-door policy.

With his own policies aimed mainly at bringing centralization back, Mr. Jiang—considered "a good technocrat but somewhat lackluster," according to one Western investor here who summed up the general view of his colleagues—does not appear to have the means to breathe new life into his former home.

The current situation has also dashed the hopes of many Shanghai's that their city will regain its status as continental east Asia's leading city when Hong Kong comes under Chinese rule before the turn of the century.

"There is no way," a Chinese intellectual here said, "that Shanghai can hope to compete with Hong Kong come 1997," when the British colony reverts to Beijing's rule.

Shanghai Technology Zone Reaps Dividends

OW2810082589 Beijing XINHUA in English
0652 GMT 28 Oct 89

[Text] Shanghai, October 28 (XINHUA)—The Caohejing New Technology Development Zone in Shanghai, designed primarily for overseas investors, has produced good results after two years in operation.

Statistics show that the development zone turned out an industrial output value of 1.02 billion yuan during the first half of this year. In the period, the zone earned over

10 million U.S. dollars from exports and turned over 213 million yuan in taxes and profits to the state.

The five sq km zone has improved its infrastructure and created a favorable investment environment since it was set up in 1987. Now it can provide enterprises with various kinds of services including insurance, banking, taxation, shipping and accommodation.

From June last year the zone began to enjoy tax cuts and other preferential terms. So far, 14 foreign-funded enterprises, with a total investment of 191 million U.S. dollars, have gone into operation in the zone.

Meanwhile, 37 state-run enterprises and 11 research institutions equipped with advanced technology have been set up there.

Products developed and produced in the zone, such as precision instruments, computer software and integrated circuits, have entered the world market.

In China, such new technology development zones have been set up in 22 provinces and municipalities.

Zhejiang's Li Inspects Anti-Pornography Work

OW3110143989 Hangzhou Zhejiang Provincial Service in Mandarin 1100 GMT 17 Oct 89

[From the "Provincial Hookup" program by station reporter Chen Xiuchun]

[Text] Li Zemin, secretary of the provincial party committee, made a special trip to Wenzhou, (Cangnan), and Yueqing, the key areas for anti-pornography work, to inspect and give guidance for carrying out the work.

After listening to briefings by local leaders on the progress in combating pornography, Li Zemin said: The Wenzhou City party committee and the city government, as well as leaders at various levels, have earnestly implemented the guidelines of the central authorities' instructions on anti-pornography work. They have taken a firm attitude and adopted effective measures to achieve fruitful results. Guided by the central and provincial anti-pornography work groups, remarkable achievements have been made in key areas within a short period of time, winning strong support from the masses. Investigations of major cases of duplicating and marketing pornographic materials have been basically completed, and criminal offenders punished in accordance with the law. However, we should not be complacent with our achievements. Progress has been uneven in anti-pornography work and further efforts should be made to mobilize the masses to expose deep-rooted problems.

Li Zemin said: In the next stage of the anti-pornography campaign, we should pay keen attention to the following three major points: First, it is necessary to mobilize and rely on the masses in extending the campaign. Second, it is necessary to expose criminals who have long succeeded in staying hidden. Third, it is necessary to

implement the policy of giving lenient treatment to those who turn themselves in and severe punishment to those who resist.

He said: Anti-pornography work is actually a struggle against bourgeois liberalization in the ideological and cultural realm. Leaders at all levels in Wenzhou City should understand the protracted, complex, and arduous nature of this struggle. The situation is complicated in Wenzhou, especially the coastal (Cangnan) and (Xinxiang) area. Hostile forces overseas and in the territories have not abandoned their ideological and cultural infiltration against us with pornographic materials. The struggle to wipe out pornography will continue for a long time to come. We should make incessant and relentless efforts to eradicate the evil through setting up a good system for combatting pornography regularly and in a planned manner. It is necessary to carry out the work in close conjunction with the struggle to punish criminal offenders severely and eliminate ugly phenomena, and with the concerted effort by all sectors of society to maintain good public order. The struggle to eliminate pornography should be regarded as a focus of the construction of socialist spiritual civilization so as to promote the work in all fields.

Central-South Region

Guangdong Faces Higher Contributions To State

HK011025789 Hong Kong HONGKONG STANDARD in English 1 Nov 89 p 1

[By Wu Zhong]

[Text] Guangdong may have to pay millions of dollars for the right to continue its special economic and business policies.

Negotiations are under way in Beijing on the additional amount the southern province should contribute to state revenue in return for being allowed to keep the policies that have helped it become one of China's richest regions.

Doubts about the future of the policies, sparked by the launching of an austerity campaign by the central government last year, have intensified since the June 4 Beijing crackdown.

Reliable sources in the capital say the hard-line Premier, Li Peng, has insisted that since Guangdong has become rich under the special arrangements granted by the central government, it is "necessary and natural" for the province to contribute more to the state.

Fuelling concern in Guangdong is Beijing's desire, under the austerity programme, to reestablish greater centralized control over regional economies.

The worry has intensified since the ousting of former Communist Party chief Mr Zhao Ziyang.

Before June 4, many provincial governments had been pursuing increasingly independent lines in managing their economies.

One estimate puts Guangdong's annual contribution to the state at 1.4 billion yuan (HK\$2.94 billion), a rate fixed before China's open-door policy enabled the province to establish a wide range of profitable enterprises and trade with the outside world.

Another estimate puts it at 1.7 million yuan (HK\$3.57 billion).

Under the former party general secretaries Hu Yaobang and Mr Zhao, Guangdong was granted greater autonomy and flexibility in handling economic affairs.

Under such "special policies," the economy in the province has grown tremendously over the past 10 years.

Critics complain that the central government has taken special care of Guangdong because of the influence of Mr Zhao who was provincial party chief for many years.

According to the sources, shortly after June 4, Guangdong sent several high-level delegations to Beijing. They said the delegations sought to convince top leaders that all the existing policies were vital to the province, and more importantly, to the whole country's reform and opening-up process.

The sources said that most of the leaders had been persuaded to take a favourable view but others, including Mr Li Peng, proposed that Guangdong contribute more to state revenue since it had become one of the richest provinces.

The sources said Guangdong was prepared to make a bigger contribution but no agreement had been reached on the amount.

The sources also said several top leaders including Mr Li Ruihuan, a newly elected member of the Politburo's standing committee, and senior leaders Wang Zhen and Peng Zhen, now were taking a favourable view of Guangdong's case.

Mr Li, who visited Guangdong last month, is said to have been impressed by and to have highly praised the province's economic achievements.

Vice-president Wang Zhen, former chairman of the National People's Congress and Peng Zhen, both members of the Communist Party's tough Old Guard, once criticised the special economic zones of Shenzhen and Zhuhai as excessively capitalist.

They now spend most of their time in one or other of the two zones, where homes are permanently provided for them.

The sources said their favourable attitude might have helped a lot to allow Guangdong to continue enjoying greater autonomy and flexibility.

In the country's present political climate, however, such freedom carried a price, they said.

Guangdong Urges Criminals To Meet Deadline

HK2610081589 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 25 Oct 89

[Text] Seventy days have passed since the Supreme People's Court and the Supreme People's Procuratorate jointly issued a notice setting a deadline for economic criminals. More than 1,700 criminals throughout the province have since admitted crimes of embezzlement and bribery to judicial organs, and they confessed to embezzling or receiving as bribes more than 29 million yuan and more than HK\$10 million and some booty.

It has been learned that procuratorates at different levels of our province have pronounced no indictments for 220 economic criminals who had on their own accord owned up their crimes.

Now less than 7 days are left before the deadline set by the notice. Officials of the provincial People's Procuratorate urged economic criminals to surrender themselves as quickly as possible, repent, and make a fresh start.

Gunman Kills Guangxi Police Chief

HK2510071989 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0409 GMT 25 Oct 89

["A Fierce Gunfight Occurs in the Compound of Guangxi's Liujiang County Public Security Bureau"—ZHONGGUO TONGXUN SHE headline]

[Text] Nanning, 25 Oct (ZHONGGUO TONGXUN SHE)—On the early morning of 21 October, a fierce gunfight broke out in the compound of Guangxi's Liujiang County Public Security Bureau. A suspect named Liang Sibian killed three people, including the Public Security Bureau chief, and was shot dead by policemen from the special corps after putting up stubborn resistance in the main building.

After graduation from Guangxi Police Academy in 1985, Liang Sibian was assigned to work in Chengtuan police station under the county Public Security Bureau. He was transferred to Liujiang sugar refinery last year because he violated discipline on several occasions. Therefore, he nursed hatred against Wei Anfu, the original deputy chief of Chengtuan police station; Yang Shengfu, the original director of the county Personnel Bureau; and Zhou Qixiang, chief of the county Public Security Bureau.

At about 2000 on 20 October, 32-year-old Wei Anfu, deputy chief of Labaozhen police station under the county Public Security Bureau, was returning home. As soon as he entered his house, a shadow suddenly appeared behind him and hit him on the head. Wei Anfu fell and fainted. The shadow took a "five-four" type pistol from Wei's body and left the scene. Not long after this, sounds of pistol were heard from somewhere in the

county seat. Yang Shengfu, who had been transferred out of the Personnel Bureau and appointed director of the county sugar business office, and county Public Security Bureau chief Zhou Qixiang were killed by the gunman.

Shortly after the killing, the Public Security Bureau conducted an investigation and suspected that the killer was Liang Sibian from the equipment security section of the county sugar refinery. At 0430 on the following day, the command headquarters in charge of the case received a report saying that Liang Sibian had sneaked into the office building of the county Public Security Bureau and sounds of gun were heard from the fourth floor. The command headquarters ordered the police to surround the building. Liang knew that he was surrounded and so risked danger in desperation. He stubbornly resisted by taking advantage of the high position he occupied and the darkness before dawn. The Armed Police Force moved forward and up to the second floor of the building where they saved Liu Mingyuan, a policeman who had climbed down from the fourth floor to the second floor after reporting the case. Because the bullet wound Liu Mingyuan suffered was so serious, he died in hospital during an emergency operation.

At 0620, four Armed Policemen charged to the fourth floor and shot dead Liang Sibian, who was then hiding in the telephone exchange room. There were still nine rounds of ammunition in Liang's pistol.

Henan Meeting Stresses Enterprise Contract System

HK1310012589 Zhengzhou Henan Provincial Service
in Mandarin 1030 GMT 12 Oct 89

[Excerpts] A provincial conference on industrial production which opened yesterday called on the government and departments throughout the province to seriously implement the Enterprise Law, strengthen guidance and coordination for contracted enterprises, and firm up the enterprise decisionmaking powers. They should create an excellent external environment for contracted enterprises. The powers delegated to the enterprises whose withdrawal has not been specifically ordered by the central and provincial authorities must not be arbitrarily withdrawn by any unit or department.

At present, industrial production in the province is on a slide. One of the reasons is that the markets have softened and there are serious shortages of coal, electricity, transportation, capital, and raw materials. However, an important factor is that the managers of some enterprises lack clear understanding of the current orientation and policies of enterprise reforms and are wavering over persevering in the contracted enterprise management responsibility system. They are looking around to see what happens.

Since its promotion in the province in 1986, the contracted management responsibility system has greatly mobilized the initiative of the enterprise managers, staff, and workers, and the province's industrial output value, labor productivity, profit, and average wages have risen

each year. The province's financial revenue has increased steadily. The enterprises' strength has been boosted. At present the contracting system is the main [word indistinct] of planned economy and commodity economy. It is suited to the present level of development of the productive forces and the standard of enterprise management. It has been adopted in 93.7 percent of the province's industrial enterprises. [passage omitted]

However, in common with everything else, the contract system has to undergo a process of development and perfection. At present, the main problems are: There is short-term behavior in the enterprises and the state [word indistinct]; the base figures for contracts in some enterprises are not rational enough; there is insufficient democratic management and supervision; ideological and political work urgently needs strengthening in some enterprises; the discrepancy in wages between managers and producers in a few enterprises is too high; and distribution is unfair. While endorsing and stabilizing the contract system, we must also perfect it. At present, the key to stabilizing the enterprises lies in stabilizing the contract system. [passage omitted]

In determining the base figures for contracts, we must encourage the advanced, spur the backward, and bring about a steady increase in the state's financial revenue while ensuring that the enterprises can fulfill this target so long as they work hard. We should institute a system of making public the wages of managers and producers. Annual wages and bonuses of managers should be no more than three times the workers' wages. There should be no more proportional distribution. We should thus avoid too great a difference between the wages of contractors and producers, and eliminate unfair internal distribution.

We must step up education in democracy for contractors, especially in medium-sized and small enterprises, to ensure that they will firmly establish the concept of wholeheartedly relying on the working class, respect the workers' democratic rights, shun special privileges, and refrain from pursuing selfish interests. We should establish a community of interests of managers and producers.

We must enhance the core role of the enterprise party organizations' ideological and political work, set up and put on a sound basis the enterprises' self-constraining mechanism, and correct and codify the enterprises' behavior. It is necessary to understand clearly that there is no contradiction at all between the core status of the plant manager in production management and the core role of the party committee in ideological and political work. The plant manager is the legal representative of the enterprise and the core of production management. The party committee is the core of ideological and political work. The two should share the work, cooperate with and support each other, keep to their allotted roles, and work together to promote production operations in the enterprise.

Commentator Views Hubei City Grain Procurement

HK2710101989 Beijing NONGMIN RIBAO in Chinese
17 Oct 89 p 1

[Commentator's article: "Do Everything Possible To Ensure Funds for Autumn Grain Procurement"]

[Text] The shortage of funds for procurement of autumn grain in Xiangfan City is a noteworthy signal: Will there be the reappearance of the phenomenon of issuing IOUs in the purchasing of autumn grain this year?

The overall situation of fund raising for procurement of grain this year should be viewed as better than last year. Because we have learned the lessons of procurement of grain last autumn, the progress of procurement of summer grain this year has been comparatively smooth, and basically the phenomenon of issuing IOUs did not appear in extensive areas. Regarding the procurement funds for autumn grain, many localities have tried their best to meet demand. For example, the bank system has tried its best to absorb savings in huge amounts, and the financial departments have tried their best to allocate funds. However, owing to the reasons such as an increase of grain prices and an increase in the volume of grain to be purchased, the difficulty in the shortage of procurement funds in many localities could not be solved.

Regarding procurement of grain, the central authorities and the State Council have repeatedly stressed that people should try their best to refrain from issuing IOUs. But how? First, when using funds, there should be different grades of priority. At present, various sides are shouting that they lack funds; their problems could not be all solved, and therefore priority must be distinguished from routine, and more important from less important. In order to improve agricultural production next year, to enhance the possibility that agricultural output change from hovering at the same level and to promote new agricultural development, it is an important matter to use the limited amount of funds at a fixed period of time in procurement of grain which is quite a seasonal endeavor. In addition, regarding fund raising for procurement of grain, the spirit of "various businesses supporting agriculture" should be embodied, and slogans must be replaced by action. Smoothly accomplish the overall situation of procurement of grain by contracts, and every person should obey this overall situation. This includes supports from the districts not producing grain to the districts producing grain.

According to the information from Xiangfan City, one of the reasons for the shortage of funds was that both grain prices and the volume of grain to be purchased have increased, but not the planned loans. Regarding this, the party concerned should make adjustments according to the situation so as to solve the urgent problem of procurement of autumn grain in the grain-producing regions.

At present, various localities have been busy with the procurement of autumn grain, and we must try our best

to raise procurement funds so as not to let the phenomenon of issuing IOUs affect our grain production again.

Southwest Region

Guizhou Cracks 'Counterrevolutionary' Party Case

HK0311073189 Beijing RENMIN GONGAN BAO
in Chinese 20 Oct 89 p 1

[Report by Mou Zhenxiang (3664 3791 4382): "A Case of a Counterrevolutionary Clique, 'China's Savior Party', Is Cracked in Guizhou Province"]

[Text] At the end of August, the Public Security Bureau of Wuchuan Gelao-Miao Autonomous County in Guizhou Province cracked a case of a counterrevolutionary clique called "China's Savior Party"; seized some criminal evidence such as counterrevolutionary programs, letters, written applications, and members' registration; and put a total of 12 leaders and core members on trial.

This counterrevolutionary clique was formed since 1988. Its members are mainly counterrevolutionaries and criminal offenders who continue to oppose the people after being discharged from prison. All of its core members are counterrevolutionaries who have always been hostile to our people's political power. The leading criminals, Li Xingfu and Chen Jiahu, had been sentenced to long prison terms for organizing a counterrevolutionary party. They recruited members by the method of relatives contacting relatives and friends contacting friends, involving 118 people from 4 counties and 28 towns. Moreover, they forged central documents and cheated people out of more than 7,000 yuan in cash by means of purchasing counterfeit money and shares. In their counterrevolutionary program, Li Xingfu and others encouraged those who had ulterior motives to oppose the Communist Party and the people's government, viciously attacked all the principles and policies of our party, and attacked our party's leadership and the socialist system. In May of this year, while turmoil occurred in the whole nation, Li Xingfu went to Chongqing City to watch the situation, collect and copy leaflets, and encouraged core members to "put objectives and aspirations into practice." They were swollen with counterrevolutionary arrogance.

After the case occurred, under the leadership of the higher public security organs, the Wuchuan Autonomous County Public Security Bureau formed a joint-operation leading group with Public Security Bureaus from Meiyun, Zhengnan, and Fenggang Counties and transferred cadres and police to deal urgently with cases. After working hard around the clock for 90 days, the case was cracked. Currently, the whole case is still being heard.

Sichuan Reports Overseas Labor Totals*OW2710170989 Beijing XINHUA in English
1614 GMT 27 Oct 89*

[Text] Chengdu, October 27 (XINHUA)—Southwest China's Sichuan Province has had good economic results in overseas labor service and foreign contracting over the past few years.

Sichuan dispatched 35,000 workers abroad between 1980 and the first half of 1989. It signed 400 contracts involving 670 million U.S. dollars and earned 88 million U.S. dollars in foreign exchange.

There are construction workers from Sichuan in 39 countries and regions.

North Region**Li Ximing Attends Beijing Rally for Troops***SK2710101389 Beijing BEIJING RIBAO in Chinese
29 Sep 89 p 4*

[Excerpts] As the joyous festival of National Day approaches, the municipal party committee and the municipal government held a ceremonious rally yesterday to salute the martial law troops in the capital. On behalf of the 10 million people throughout the municipality, Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing municipal party committee, Chen Xitong, state councillor and mayor of Beijing Municipality, and leading comrades of the municipal party committee, the municipal Advisory Commission, the municipal People's Congress Standing Committee, the municipal government, the municipal committee of the Chinese People's Political Consultative Conference [CPPCC], and the municipal Discipline Inspection Commission, extended warm festive greetings and cordial regards to officers and men of the martial law enforcement troops who performed immortal deeds during the suppression of the counterrevolutionary rebellion, and to leaders and all officers and men of the General Staff Headquarters, the General Political Department and the General Logistics Department of the People's Liberation Army [PLA] who provided great support for all work in Beijing. The rally was permeated with a warm atmosphere of unity between the army and the people and between the army and the government.

Li Qiyan, deputy secretary of the municipal party committee, presided over the rally. After the solemn playing of the Internationale, all comrades rose and stood in silent tribute to the martyrs who died a heroic death during the suppression of the counterrevolutionary rebellion.

At the rally, Chen Xitong said: During the juncture involving the life and death of our party and country, the martial law enforcement troops entered Beijing to perform martial law enforcement tasks in some places in

line with the policy decisions of the party Central Committee, the State Council and the Central Military Commission. The officers and men of the martial law enforcement troops, the public security cadres and policemen, and the Armed Police Force kept firmly in mind the heavy trust of the party and the people, adopted a firm and clear-cut stand, feared no hardship, bloodshed or sacrifice, and safeguarded the capital and the socialist People's Republic under the great support of the masses of people. Practice proved again that the PLA deserves to be called the great army which is loyal to the party and the people, the strong pillar of the people's democratic dictatorship, and the great wall of steel guarding the socialist republic. [passage omitted]

Zhou Yibing, commander of the Beijing Military Region, extended heartfelt thanks to the Beijing municipal party and government leaders and the people throughout the municipality on behalf of the Beijing Military Region and all the officers and men of the martial law enforcement troops. He said: During the halting of the turmoil and the quelling of the counterrevolutionary rebellion, the martial law enforcement troops, the party and government leading organs at all levels in Beijing Municipality, and the broad masses of people jointly experienced a soul-stirring struggle and a severe test. During the blood and fire struggle, the martial law enforcement troops performed heroic and moving deeds. "Defenders of the Republic" such as Liu Guogeng, Cui Guozheng, and Li Guorui, and a great number of heroes and models emerged. They showed the absolute devotion of the People's Army to the party, the people, and the socialist motherland. The Beijing municipal party and government leading organs at all levels and the masses of people made great contributions to halting the turmoil and quelling the counterrevolutionary rebellion. Leaders at all levels and the relevant departments actively helped the martial law enforcement troops perform their work, tried all possible means to help guarantee material supplies for their livelihood, and provided great support for them. Many cadres and the masses risked their lives to bravely save and take care of the wounded officers and men and those who met with mishaps. Their deeds were touching. [passage omitted]

On behalf of the municipal party committee and the municipal government, Li Ximing and Chen Xitong presented a silk banner bearing the words "The mighty army which quelled the counterrevolutionary rebellion is powerful and the army which cherished the people is praiseworthy" to the martial law enforcement troops in the capital, and souvenirs and badges bearing the words "in commemoration of the quelling of counterrevolutionary rebellion," to all officers and men of the martial law enforcement troops to express the profound fish-and-water sentiments and the lofty respect of the people in the capital for the martial law enforcement troops. On behalf of the Beijing Military Region, Commander Zhou Yibing and Political Commissar Liu Zhenhua respectively presented a board on which the design of the Great Wall was engraved to the municipal party committee and the municipal government.

The rally was attended by leading comrades of the General Staff Headquarters, the General Political Department, and the General Logistics Department of the PLA, the Beijing Military Region and Beijing Municipality, including Xu Huizi, Zhou Keyu, Li Lun, Zhu Tingxun, Li Laizhu, Qi Lianyun, Chen Peimin, Zou Yuqi, Zhang Gong, Xu Xiaowu, Wang Xian, Zhao Pengfei, Bai Jiefu, Zhang Jianmin, Meng Zhiyuan, Yuan Liben, Zhang Peng and Tie Ying.

Beijing Secretary Attends Plenary Session Opening

SK3110020089 Beijing BEIJING RIBAO in Chinese
12 Oct 89 p 1

[Text] The seventh (enlarged) plenary session of the sixth municipal party committee ceremoniously opened amid the magnificent national anthem on the morning of 11 October.

The main tasks of the session are to study deeply and grasp the guidelines of Comrade Jiang Zemin's important speech at the meeting to celebrate the 40th anniversary of the founding of the PRC, and to study the issues concerning strengthening the improvement of the party's ideology, organizational work, and work style and the construction of the ideological and political work according to the guidelines of the national conference of Propaganda Department directors and the national conference of Organization Department directors, and the requirements as set forth in the "CPC Central Committee's circular on strengthening propaganda and ideological work" and the "CPC Central Committee's circular on strengthening party building." The session is to study investigation work also.

Li Ximing, secretary of the municipal party committee, delivered a report entitled "Build Our Party Into a Powerful Core To Guide the Socialist Modernization Cause." Li Ximing's report includes seven parts: 1) Fully understand and strengthen the importance and urgency of the party building. 2) The purpose of strengthening party building is to persist better in the leadership of the party. 3) Bring the grass-roots party organizations' role as the political core into full play. 4) Conscientiously strengthen the party's ideological and political work. 5) Use Marxism to occupy theoretical, ideological, and cultural fronts. 6) Restore and develop the flesh-and-blood ties between the party and the masses. 7) Be inspired with enthusiasm, work with one heart and soul, and strive to achieve the work in all fields.

Chen Xitong, deputy secretary of the municipal party committee and mayor of the municipality, presided over the session. Present at the session were Li Qiyuan and Wang Jialiu, deputy secretaries of the municipal party committee; Wang Guang, Li Zhijian, Li Jinmin, Meng Zhiyuan, Zhang Jianmin, Yuan Liben, and Chen Guangwen, members of the Standing Committee of the municipal party committee; Wang Xian, chairman of the municipal Advisory Commission; Zhao Pengfei, chairman of the Standing Committee of the municipal People's Congress; and Jiao Ruoyu, member of the

Central Advisory Commission. Present the session were members and alternate members of the municipal party committee, members of the municipal Advisory Commission, 200 members of the municipal Discipline Inspection Commission. Also attending the session were party-members, leading comrades of the municipal People's Congress Standing Committee, the municipal government, and the municipal Committee of the Chinese People's Political Consultative Conference [CPPCC]; responsible comrades of the departments, commissions, and offices under the municipal party committee, the municipal Advisory Commission, the municipal People's Congress Standing Committee, the municipal government, and the municipal CPPCC Committee; secretaries of the district and county party committees; and secretaries of the party committees (leading party groups) of general companies under various bureaus, universities and colleges, and large plants. More than ten retired veteran comrades who had been engaged in the work of the party, and more than ten responsible persons of the grass-roots party organizations were also invited to attend the session.

Li Ximing Attends Young Pioneers' Beijing Rally

SK3110035689 Beijing BEIJING RIBAO in Chinese
14 Oct 89 p 1

[Text] A cheerful festive atmosphere permeated the solemn Great Hall of the People on the afternoon of 13 October. A star-and-torch pattern was suspended in the center of the rostrum. A huge streamer reading "Be Prepared To Fight For the Communist Cause" attracted our attention. The Beijing municipal rally to celebrate the 40th anniversary of the founding of Young Pioneers was held here.

The rally opened amid the magnificent national anthem and the song of the Chinese Young Pioneers. Together with leading comrades, including Li Ximing, Xi Zhongxun, Zhao Pengfei, Bai Jiefu, Yuan Liben, Lu Yucheng, Gao Dengbao, Li Yuanchao, and Xie Ming, more than 3,000 representatives of the Young Pioneers cheerfully celebrated their festival.

On behalf of the municipal party committee and the municipal government, Li Ximing, secretary of the municipal party committee, extended festival greetings and cordial regards to more than 800,000 Young Pioneers in the municipality; extended lofty respects to the instructors and teachers of the Young Pioneers; and expressed his heart-felt thanks to the comrades who have been concerned with and supported the work of the Young Pioneers.

The municipal Young Pioneers Work Committee, the municipal Communist Youth League [CYL] Committee, and the municipal Educational Bureau presented "star-and-torch medals" and "red-scarf medals" to 200 collectives of Young Pioneers and 1,000 Young Pioneers. To commend the comrades who have been Young Pioneers' instructors for a long period of time, the municipal Young Pioneers Work Committee and the municipal

CYL Committee respectively issued gold- or silver-quality honorary medals to full-time Young Pioneer instructors and juvenile work cadres who have been working for 15 years or 10 years. "Medals of Being Concerned With the Work of Young Pioneers" were presented to 50 personages of different social circles who have been concerned with the work of Young Pioneers. After the rally, leading comrades, including Li Ximing, cordially met with "9 of the 10 best Young Pioneers" and Lai Ning's parents.

Foreign-Invested Association Forms in Beijing

OW2810191589 Beijing XINHUA in English
1645 GMT 28 Oct 89

[Text] Beijing, October 28 (XINHUA)—The Association of Beijing's Foreign-Invested Enterprises was officially established here today at a ceremony in the Great Hall of the People.

With 235 of Beijing's foreign-invested enterprises as its first group of members, the association, which has been approved by the Chinese Government, elected Zhang Peng, consultant to the Beijing Municipal Government, as its chairman.

Earl Hicks, general manager of the U.S. Babcock Loan Wilcox Beijing Company Ltd., and Chikayoshi Ninagawa, general manager of Japan's Beijing Matsushita Color Crt Co., Ltd, were elected as the vice-chairmen.

The association is intended to help exchange information and experiences and promote friendships between the enterprises to speed up their development.

Considered by many as a bridge between the government and the enterprises, the association will also organize professional training, hold economic and trade talks, sponsor exhibitions and provide consultation services for economics, trade and law.

Marshall Kong, general manager of Beijing Poultry Breeding Co. Ltd, made a speech at today's inaugural meeting on behalf of the members. Establishment of this association, he noted, indicates that China is eager to improve its investment environment.

He said he hopes the association will play a part in safeguarding the legal rights of foreign-invested enterprises and turn itself into a vigorous "family of foreign-invested enterprises."

Vice-Mayor of Beijing Wu Yi also pointed out at the meeting that unsatisfactory factors still exist in the capital's investment environment. But, she pledged that the local government will do its best to improve it.

A total of 185 foreign-invested enterprises belonging to the central government and 559 belonging to the local government had been set up in Beijing by the end of September.

Also present at the inaugural meeting today were Vice-Premier Tian Jiyun, deputy head of the leading group for foreign investment under the State Council Gan Ziyu, and vice-minister of the Ministry of Foreign Economic Relations and Trade.

Hebei Holds Discipline Inspection Plenary Session

SK0111132289 Beijing BEIJING RIBAO in Chinese
16 Oct 89 p 1

[Text] "Opposing bourgeois liberalization and safeguarding the party's political discipline should be regarded as an important task for strengthening party discipline and should firmly be attended to." This was emphatically pointed out at the eighth plenary session of the municipal Discipline Inspection Commission on 15 October.

The plenary session was chaired by Meng Zhiyuan, member of the Standing Committee of the municipal party committee and secretary of the municipal Discipline Inspection Commission. To better implement the municipal party committee's decision on strengthening party building and the ideological and political work, the session set forth several opinions on strengthening the construction of party style and party discipline in line with the reality of the municipality.

The session pointed out: To safeguard and strengthen the party's political discipline, we must first adhere to the four cardinal principles and oppose bourgeois liberalization. At present, we should conscientiously conduct investigations. Strictly in line with policies and relevant regulations, Discipline Inspection Commissions at various levels should take necessary sanctions against the party members who violated discipline and departed from their correct stands during the turmoil and the counterrevolutionary rebellion. Those whose cases are serious should be expelled from the party. Second, we should regularly conduct education on strengthening discipline among party members so that the broad masses of party members will upgrade their concept of the class struggle; persist in the party's basic line; safeguard the unity of the party; persist in democratic centralism; and politically, ideologically, and practically act in high unison with the party Central Committee, but not spread the political views that go against the four cardinal principles and the party Central Committee's principles and policies. Third, we should understand and grasp promptly the reality of party members at the mass media work departments, such as propaganda, theoretical, press, and publication departments; and pay attention to studying tendentious problems. No one is allowed to use the socialist mass media front to spread the viewpoints of bourgeois liberalization. Fourth, we should regularly supervise and examine the situation in which party organizations and party members abide by the political discipline so that problems, if discovered, can be investigated and handled in a timely manner.

The session emphasized: We should strictly enforce party discipline in the course of improving the economic

environment and rectifying the economic order. Discipline inspection commissions at various levels should conscientiously investigate and handle the cases of not enforcing orders and prohibitions and undisciplined cases of disturbing the economic order; strengthen supervision over the enforcement of discipline; strictly handle those who adopt countermeasures against the policies formulated by higher levels, feign compliance, and resist the policy decisions of the central authorities and the municipal party committee; and educate the broad masses of party members to further enhance the sense of discipline, to ensure the enforcement of government decrees, to safeguard the authority of the policy decisions, and to ensure the smooth realization of the targets for improving the economic environment and rectifying economic order.

While considering the improvement of party style toward improving administrative honesty, the session emphasized: At the time of attending to the setup of systems, we must strengthen the supervision over the enforcement of discipline within the party. From now on, the systems and regulations set forth by the party and government organs at various levels should resolutely be implemented. Discipline Inspection Commissions should work in cooperation with supervisory departments concerned to assume actively the responsibility for supervising the enforcement of systems and regulations. Those who refuse to observe the regulations and systems should be treated as discipline violators, investigated, and handled. To strengthen the supervision over the enforcement of discipline within the party, we must protect the party members' democratic rights, particularly the right to criticize and supervise leading cadres so as to make the broad masses of party members be brave in making criticism and supervision. Meanwhile, leading party cadres should enhance their awareness of accepting supervision, but must not retaliate against others. Party committees and discipline inspection commissions at various levels should strictly handle those who retaliate against others. At the time of strengthening the supervision over the enforcement of discipline within the party, the mass, mass media, administrative and law departments, and democratic parties should bring their supervisory functions into full play.

The session also studied and made arrangements for fully understanding the importance and urgency of strengthening the improvement of party style and party discipline, strengthening the work of enforcing discipline and handling cases, eliminating the corrupt, and strengthening the construction of the ranks of discipline inspection cadres.

Tianjin Leader Meets CPPCC Inspection Team

SK2710010389 Tianjin TIANJIN RIBAO in Chinese
10 Oct 89 p 1

[Text] On the evening of 9 October at the Tianjin Assembly Hall, Tan Shaowen, secretary of the municipal

party committee, met with the inspection team composed of members of the National Chinese People's Political Consultative Conference (CPPCC) Committee. On behalf of the municipal party committee, the municipal People's Congress Standing Committee, the municipal government, and the municipal CPPCC Committee, he warmly welcomed all members of the inspection team.

The inspection team arrived in Tianjin on the morning of 9 October. During their stay in Tianjin, members of the inspection team will go deep into some plants, mining industries, and schools to conduct investigations on their implementation of the central tasks of improving the economic environment, rectifying the economic order, and deepening reforms in order to understand the municipality's industrial and agricultural production, urban construction, cultural and educational situation.

At the meeting, Tan Shaowen said that their visit to Tianjin will help promote our work. He hoped that during their inspections, the CPPCC members will present precious opinions so as to improve ceaselessly the work in Tianjin.

Leading comrades Zhang Lichang, Yang Jingheng, Li Changxing, Xiao Yuan, and He Guomo attended the meeting. After the meeting, the inspection team also watched a large-scale song-and-dance opera performance entitled "Graceful Bearing of Tang and Song Dynasties."

Northeast Region

Heilongjiang Cadres To Help in Rural Work

SK2910111989 Harbin Heilongjiang Provincial
Service in Mandarin 2200 GMT 28 Oct 89

[Text] In order to do a good job in improving the economic environment, rectifying economic order, and overcoming the current difficulties of industrial and agricultural production, the provincial people's government has decided to organize immediately the cadres of its subordinate organs to go to the countryside, plants, and factories to help grass-roots level units carry out their work.

On the afternoon of 28 October, the provincial people's government sponsored a meeting to mobilize the cadres of its subordinate organs to go to the countryside, plants, and factories. Vice Governor Chen Yunlin addressed the meeting.

The movement of mobilizing the government's cadres to go to the countryside, plants, and factories will be carried out in two ways. The major tasks of work teams dispatched to rural areas are to adopt every possible way and means to help grassroots level units carry out the rural work with the center of grain procurement. The major tasks of work teams dispatched to 136 large and

middle-sized enterprises are to adopt effective measures to enliven the enterprises and prevent a slowdown in their production.

During the meeting, the participating personnel adopted a decision to have all cadres among the subordinate organs of the provincial people's government who have decided to go to the countryside, plants, and factories report to the assigned localities before 5 November and return to their units by the end of November.

Jilin Holds Meeting on Rectifying Publications

SK3110011189 Changchun Jilin Provincial Service in Mandarin 2200 GMT 29 Oct 89

[Excerpts] The Propaganda Department of the provincial party committee and the provincial Press and Publications Bureau held a meeting in Changchun on 28 October with the participation of directors of Propaganda Departments and Press and Publications Bureaus in various cities, prefectures, and autonomous prefectures. This meeting was devoted to implementing the guidelines of the national meeting on reducing and rectifying the press, periodicals, and publishing houses; and studying and arranging for the provincial work of reducing and rectifying the press, periodicals, publishing houses, and the cassette and video tape market.

Convened by the provincial party committee, this meeting relayed the party Central Committee's notice on reducing and rectifying the press, periodicals, and publishing houses as well as the programs for implementing this notice; relayed the speeches of Comrade Li Ruihuan and Li Tieying; and offered opinions on how to implement this notice in the province. The meeting's participants conscientiously discussed the notice and demands of the party Central Committee. Comrade Liu Xilin, vice governor of the province, attended the meeting and made a speech.

He said: The provincial party committee and the provincial government have paid keen attention to this work. Before the convocation of this meeting, after hearing a report on this work, the Standing Committee of the provincial party committee maintained: In implementing the guidelines of the national meeting on reducing and rectifying the press, periodicals, and publishing houses, we must take a firm attitude. This is a (?firm) measure and thus must be implemented conscientiously. [passage omitted]

With regard to wiping out pornographic books and tapes and reducing and rectifying the press, periodicals, and publishing houses in line with the reality of the province, he said: Over the past few years, our province has made great progress in press and publications undertakings. However, some problems also exist. First, during the preceding period when the ideological trend of bourgeois liberalization ran rampant, some press and periodicals also drifted with the tide to publicize some ideas of bourgeois liberalization; some books, periodicals, and cassette and video tapes have pornographic content; and

publications publicizing base, vulgar, homicidal, and violent plots have emerged frequently. Second, press and publishing houses have developed too rapidly and excessively, and publications have been too excessive and disordered. Such a situation reflects the flourishing development of the press and publications undertakings; but, at the same time, has brought about some problems not in conformity with the condition of our country and has exceeded our compiling capacity and [words indistinct], thus adding problems to the country. Third, the quality of publications has declined. Therefore, our province should also reduce and rectify the press, publications, and publishing houses in line with the relevant stipulations and demands of the party Central Committee. [passage omitted]

Comrade Hu Houjun, director of the Propaganda Department of the provincial party committee, also spoke at the meeting. [passage omitted]

The meeting announced the province's specific programs for reducing and rectifying the press, periodicals, and publishing houses. The principles for the current reduction and rectification are: Those books, periodicals, and tapes whose political orientation is seriously wrong; which seriously publicize pornographic, obscene, murder, violent, feudal, and superstitious plots; and whose style is base and whose content is vulgar should be cut or rectified. Then, those whose structure is unreasonable and content is [words indistinct] should also be cut or rectified. [passage omitted]

Also participating in this meeting were directors of literary and art federations in various localities, responsible persons of pertinent departments directly under the provincial authorities, responsible persons of [words indistinct], directors of various publishing houses, and responsible persons of various cassette and video tape publishing units.

Jilin Steps Up Efforts To Enliven Enterprises

SK2910105589 Changchun Jilin Provincial Service in Mandarin 1030 GMT 22 Oct 89

[Station commentary: "Heighten Spirit To Work Hard and Wage Struggle in the Winter-Spring Period"]

[Text] In 1989, our province has experienced more difficulties in industrial production. The fund and energy resource shortage in the early period of this year has still not been alleviated. In addition, the political storm between spring and summer this year has greatly affected the industrial production. Under such a circumstance, the province's total industrial output value in the January-September period surpassed the same period of 1988 by 5 percent. It should be said that this achievement is hard-won, and it may be said that our province scored the desired results in industrial production by working hard and launching a struggle in the January-September period. Whether we can fulfill the annual production plan will depend on the last effort made in the fourth quarter.

There are now 70 days left in the year which are of crucial importance and during which we could succeed in inheriting the past and ushering in the future. Therefore, tasks in the 70-day period are quite arduous. The strained situation in five fields has not been alleviated and the province recently experienced new problems, of which, the prominent ones are: Market changes are worrisome, sales are weakening, products are overstocked, the speed of the development of the light industry is dropping, and local industries are not increasing output.

When encountering difficulties, we should note the favorable factors, which are the results scored in improving the economic environment and rectifying economic order and which include the fact that price hikes have been effectively brought under control since the beginning of 1989, markets have been relatively stable, both urban and rural deposits have steadily increased, contradictions cropping up in the inner structure of economic departments have been gradually readjusted, the special policy has been implemented, and the excessively high speed of industrial production development has obviously dropped. Only by fostering confidence, enhancing our courage, and applying the favorable factors can we overcome difficulties. At present, leading personnel in some localities and departments have not done so ideologically and in their practical work, and have not adopted an active attitude toward overcoming the current difficulties. But, they have been satisfied with the work of making work arrangements by holding meetings and issuing a general appeal. Such a practice is totally intolerable.

Recently, leading personnel of the provincial level organs respectively led the four work groups to go to eight localities to learn about the production situation and to help enterprises solve their difficulties. Leading personnel of other cities and prefectures should personally go deep into grass-roots level units to carry out vigorously the work in various links, to shift the attention of enlivening enterprises from depending on the state to delegate power, and to give enterprises the right of profits in conducting self reliance, waging arduous struggle, and arousing the masses to tap the potential, as well as to upgrading in an overall way the inner quality of enterprises, working hard, and waging a struggle to make due contributions to smoothly entering the 1990's.

Liaoning Overseas Chinese Congress Opens

SK3110071389 Shenyang Liaoning Provincial Service
in Mandarin 2300 GMT 30 Oct 89

[Text] The fourth provincial congress of returned Overseas Chinese and family members of Overseas Chinese opened in Shenyang on 30 October. More than 250 delegates gathered happily in the provincial capital to discuss jointly the major affairs in the political life of the provincial Committee of the All-China Federation of Returned Overseas Chinese.

The main tasks of this congress are to discuss the work report of the third provincial committee of the All-China Federation of Returned Overseas Chinese; elect the fourth provincial committee of the All-China Federation of Returned Overseas Chinese; commend outstanding returned Overseas Chinese, family members of Overseas Chinese, intellectuals, and entrepreneurs; and to adopt the relevant resolutions.

Leading comrades of the six major provincial leading bodies and responsible comrades of various provincial democratic parties and mass organizations attended the congress to extend congratulations.

The congress also received congratulatory messages and letters from some provinces, cities, and autonomous regions, and from friendly Overseas Chinese groups and Overseas Chinese.

Sun Qi, deputy secretary of the provincial party committee, extended congratulations to the congress on behalf of the Liaoning provincial party committee and, through it, to all returned Overseas Chinese and family members of Overseas Chinese throughout the province. In his speech, he fully affirmed the contributions to vitalizing our province's economy made by the Federations of Returned Overseas Chinese at all levels, the broad masses of returned Overseas Chinese, and family members of Overseas Chinese during the past few years and hoped that they would do a better job in meeting the demands of the new situation; make full use of the favorable conditions of having overseas contacts and deep friendship with the people living abroad to establish contacts actively with compatriots in Hong Kong, Macao and Taiwan; serve the reunification of the motherland; continue to display the role of the federations and organizations of returned Overseas Chinese as the nongovernmental channels; help the government departments carry out economic and trade contacts; and make new contributions to the province's reform and opening up.

Entrusted by the third provincial committee of the All-China Federation of Returned Overseas Chinese, Li Feng gave a work report at the congress entitled: Sum Up Experience, Continue To Advance Bravely, and Push the Work of Our Provincial Committee of the All-China Federation of Returned Overseas Chinese to a New Level in the Course of Reform and Opening Up. While talking about future work, he called for efforts to carry out multichanneled and multilayered overseas contacts unswervingly in various forms and spheres and better serve our province's economic construction. He said: We should, as always, represent and safeguard the legitimate rights and interests of the broad masses of returned Overseas Chinese, family members of Overseas Chinese, Overseas Chinese compatriots, and compatriots from Hong Kong and Macao, and run the Federations of Returned Overseas Chinese into the homes of the Returned Overseas Chinese, family members of Overseas Chinese, and Overseas Chinese compatriots.

Northwest Region

Gansu Secretary Discusses Land Management

HK3110054189 Lanzhou Gansu Provincial Service
in Mandarin 1030 GMT 28 Oct 89

[Excerpts] Our province will soon carry out the activities of providing education for people of the whole province in building up a concept on land so that they will truly foster an idea—which conforms with our national policy—of truly treasuring and rationally using every inch of land in the interest of protecting our cultivated land. We must take good care of our land as if it were a family treasure.

From 25-28 October, the provincial government held in Lanzhou the first provincial meeting on land management. According to the decision made by the meeting, the general task of land management in our province in the coming years is: We must vigorously carry out the activities of providing people of the whole province with education in building up the concept of land, enhance their consciousness in implementing the basic national policy on land, and promote the reform of the rules and regulations governing the use of land. We must use economic levers to deal with the action of arbitrarily using and occupying land. We must grasp well the work of land management for construction and the development and use of land. We must place equal emphasis on both broadening the sources of land and using it thriftily. In the meantime, we must strengthen the legal system governing land and further enforce the law on supervising the use of land.

Provincial leading comrades Li Ziqi, Jia Zhijie, Liu Shu, Lu Ming and others attended and spoke at the meeting.

In his speech, Comrade Li Ziqi stressed: We must draw a bitter lesson from our previous mistakes in dealing with the issue of population and further enhance our understanding of the importance of land, cultivated land in particular. The whole party must attach importance to it. Land management should be included in the aims of the leading bodies at all levels and regarded during their term of office, and be regarded as a important item for testing their achievements. They must be aware of their responsibility in this regard. We must integrate the work of investigating and handling the cases involving leading cadres replacing law with their power, bypassing the immediate leadership with regard to the approval of the use of land, and building private houses illegally with the promotion of a clean and honest administration. Those who are involved in these cases must be severely dealt with and investigated regardless of their positions, and the cases must be made known to the public.

Our provincial leading comrades Xu Feiqing, (Ge Siying), and others, and responsible comrades of the relevant departments under the State Land Management Bureau attended the meeting.

Qinghai Congress Standing Committee Meeting Ends

HK0211022589 Xining Qinghai Provincial Service
in Mandarin 2300 GMT 1 Nov 89

[Excerpts] The 11th meeting of the 7th Provincial People's Congress Standing Committee successfully passed various resolutions included in the agenda of the meeting, and ended yesterday afternoon in Xining. The meeting was presided over by the provincial People's Congress Standing Committee Chairman Huanjue Cailang. A total of 33 persons attended the meeting, including Vice Chairmen Ga Bulong, Lu Shengdao, Xabchung Garbo, Ma Wending, Yang Wenjin, Han Fucai, and other members [passage omitted]

While discussing personnel appointments and removals on the agenda, the meeting first accepted the resignation of Song Ruixiang from his post as provincial governor and approved the method for electing an acting provincial governor. After that, all participants unanimously elected by show of hands Jin Jipeng as acting governor of Qinghai Province. The meeting also approved some other personnel appointments and removals.

Provincial Vice Governors Bian Yaowu and Ma Yuanbiao, vice chairman of the provincial CPPCC Han Shenggui, president of the provincial Higher People's Court Ma Yougong, chief procurator of the provincial People's Procuratorate Zhang Jimin, and responsible persons of other relevant departments attended the meeting as nonvoting delegates.

Shaanxi Students Reject June 'Upheaval'

OW031115589 Beijing XINHUA in English
0824 GMT 3 Nov 89

[Text] Xian, October 28 (XINHUA)—What is in store for us? Students of the universities in Xian were all asking themselves this question as they reluctantly made their way back to their campuses in early August this year.

However, things turned out not as bad as they imagined.

At the term-opening ceremony on August 14 in Xian Jiaotong University, the party secretary and vice-president of the university, Pan Ji, smiled a hello to the students and asked if they had had a good summer holiday.

The response was clapping by nearly 10,000 pairs of hands. The applause reverberated in the large meeting hall for fully a minute.

Of the more than 10,000 university students in Xian, only one was detained during the June turmoil. He had been a leader of the illegal autonomous student union.

Students spent one or two weeks of the new term on political study and some time on the courses they missed last term. By mid-September most of them had begun their new courses, about a month earlier than the universities in Beijing and Shanghai.

Professor Jiang Yun, director of the Department of Student Affairs of Shaanxi Teachers' University, says: "All the students have been studying hard and enjoying colorful activities in their free time. Everything has come back to normal."

Altogether there are 24 universities and colleges in Xian. A third of them are key state universities.

During the April-June anti-government riots, events in Xian attracted worldwide attention, along with those in Beijing and Shanghai. On April 22, serious incidents of beating, smashing, looting and burning broke out and most of the universities suspended courses from mid-May.

Xian university students were very active in the upheaval. From Jiaotong University alone more than 2,000 students went to Beijing. Many demonstrated on Tiananmen Square for days.

During the one-week political study in Jiaotong this term, more than 1,000 teachers and leaders went to 300-odd classes to help the students. Many teachers talked to them about the lessons of the Cultural Revolution and about so-called democracy in Western countries in the context of their own experiences.

Zhou Yukang, a fourth-year student from the Department of Information and Control Engineering, says: "I used to think the university authorities would seize the opportunity to punish us, because leaders of the university were besieged and attacked when they tried to persuade us to stop the demonstrations and hunger-strike. We never dreamed of those smiling faces and deep concern."

He says: "When I returned to my home in Chengdu on June 15 and saw the ruins of the burned and looted People's Department Store, I knew that we had been exploited and that things had gone the opposite to what we expected."

In late August, the administrative office of Sichuan's Nanchong Prefecture received a remittance of 140 yuan signed "Students of Xian Jiaotong University". A post-script said: "We are university students and were involved in the past months' turmoil, for which we now feel very sorry. We sincerely hope that the losses caused in the turmoil will soon be made up."

On campuses today, students can be seen bending over their books under trees and on lawns and steps in front of buildings; after supper many of them rush to classrooms and libraries to occupy seats.

"I want to make up the time wasted last term during the turmoil," says a student from Xian Highway Institute. "Whenever I think about the precious time I was cheated out of, I feel guilty."

Some teachers explain that the students have become diligent because they realize that their major task is study, and the state's four modernizations need knowledgeable people.

Zhao Junmin, a student from the Xian Institute of Administration, says that after the campus upheaval many students found that they had failed to understand China's special circumstances and the fundamental tenets of Marxism-Leninism. They need to read more books.

But the students do not lock themselves up all day long; their leisure activities are rich and colorful.

Old commercial posters have been covered by ads for seminars, exhibitions, academic reports and dance parties; in Xian Jiaotong University the election of "Mr. Public Relations" and "Miss Public Relations" attracted a great deal of interest.

The "English corner" in front of the library of Shaanxi Teachers' University attracts large numbers of students at weekends. Many of them come from other countries.

Since August, 51 students in Jiaotong University have submitted applications to join the Communist Party. Last year only two students applied for party membership in the Department of Machinery and Electronics; in September and October this year, 11 submitted their applications.

Recently the Union of the Youth League of Xian Jiaotong University issued 200 questionnaires to students asking, for example, "What do you care about most?", "What do you think of China's future?" and "Who of the government and party leaders do you most favor?"

The results showed that the state's policies on intellectuals, China's present economic condition, reform and open policy, and the conditions of East European countries and the trends developing there are the problems students care about most.

As for the Dalai Lama's winning the Nobel Peace Prize, more than 80 percent of the students showed anger and opposition.

More than 60 percent of the students questioned considered that China's future is bright, although they think many difficulties confront it.

Most of the students chose party secretary Jiang Zemin as the most-favored leader. They say Jiang is knowledgeable and practical, and he often goes down to grass-roots units to make contact with the masses. Students especially appreciate his visiting his teachers in Jiaotong University when making an inspection tour of Xian.

Having analysed the answers, the league cadres conclude that after the "nightmare" students have not become despondent. On the contrary, they have become more mature.

Government Assailed at Home for 'Money Diplomacy'

OW3010045489 Beijing XINHUA Domestic Service
in Chinese 1325 GMT 29 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 29 Oct (XINHUA)—The Taiwan authorities' recent flagrant acts of attempting to create "two Chinas" by "establishing or restoring diplomatic relations" with some countries, or by "buying diplomatic relations" from them, have given rise to various comments on the island. Some public opinion has ridiculed or assailed such acts.

When the Taiwan authorities recently "established or restored diplomatic relations" with Grenada, Liberia, and Belize, Taiwan newspapers argued "money diplomacy." ZHONGGUO SHIBAO [CHUNG KUO SHIH PAO] said in a report that after announcing "the establishment of diplomatic relations" with Liberia, the Taiwan authorities were "joyfully ready to accept applause; however, when people focused their attention on supposedly large loans, they felt uneasy." The paper said: Although the Taiwan authorities time and again denied that "the establishment of diplomatic relations" cost more than U.S.\$200 million, people just did not believe them; most people thought that "there is no smoke without fire" and that it was not the first time Taiwan had bought diplomatic relations with money. Even though the cost was not as high as U.S.\$200 million, a considerable amount of money was probably spent for this purpose. This paper also reported that people criticized the Taiwan authorities for squandering money.

Some public opinion on Taiwan criticized the authorities for not having any scruples about creating "two Chinas" by "establishing or restoring diplomatic relations" with other countries. During an interpellation, Wu Shuzhen [Wu Shu-chen], a female member of the "Legislative Yuan," said to "Premier" Li Huan and "Foreign Minister" Lian Zhan [Lien Chan]: Before Taiwan "established diplomatic relations" with Grenada, Liberia, and Belize, it was "known to all that

the three countries maintained official diplomatic relations with the Chinese Communists. The Belize Ministry of Foreign Affairs even openly asserted that it had adopted a 'two Chinas' policy." So, Wu Shuzhen held that the "crucial importance" of the so-called "diplomatic breakthrough" was that the Taiwan authorities "can seek a future for Taiwan beyond a reunified China" and "have two sovereignties on the two sides of the Taiwan Strait confirmed by establishing official diplomatic relations." The Taiwan paper LIAN HE BAO [LIEN HE PAO] said in an editorial: The term "two Chinas" makes the overwhelming majority of the Chinese people at home and abroad feel as painful as if one's heart were stabbed with a knife, for it represents not only a misfortune for the country and a national tragedy, but a trauma almost everyone has experienced directly or indirectly.

Government To Set Up Mainland Affairs Commission

OW0111121589 Shanghai Voice of Pujiang
in Mandarin to Taiwan 1000 GMT 20 Oct 89

[Text] In news from Taipei, the Central Standing Committee of the Kuomintang in Taiwan decided on 18 October to set up a Mainland Affairs Screening Commission under the Executive Yuan. The commission will take charge of affairs relevant to Taiwan's mainland policy. The commission will replace the existing Task Force on Mainland Chinese Affairs.

As we understand it, the Mainland Affairs Screening Commission is being set up in response to a proposal by members of Taiwan's Legislative Yuan.

At first, some members of the Legislative Yuan called for the establishment of a ministry of mainland affairs, but the Executive Yuan maintained that the existing Task Force was capable of doing the job.

Later, the officials concerned decided to set up the Mainland Affairs Screening Commission after they repeatedly discussed the issue. Among the officials involved were Li Huan, premier of the Executive Yuan; Shi Qiyang [Shi Chi-yang], vice premier of the Executive Yuan; and Wang Zhaoming [Wang Chao-ming], secretary general of the Executive Yuan.

Officials Criticize U.S. '301 Watch List'

OW0311044589 Taipei CNA in English
1610 GMT 2 Nov 89

[Text] Taipei, Nov. 2 (CNA)—Ranking trade officials said Thursday the Republic of China (ROC) had done "more than enough to be dropped from the United States Government's special 301 "watch list."

Vincent Siew, spokesman for the cabinet ad hoc committee on ROC-U.S. trade, said the U.S. had removed the ROC from the U.S. "priority watch list" to its "watch list" in recognition of the nation's efforts and achievements in protecting intellectual property rights. However, Siew said he personally thinks the ROC efforts should have resulted in "more than just this."

Board of Foreign Trade Director General Sheu Ke-sheng pointed out that the government and the private sector here had worked hard to crack down on counterfeiting and to amend the copyright, trade mark and patent laws.

Sheu said it was "still regrettable" that in spite of such efforts, the ROC had not been dropped from the "watch list."

Government Reiterates View on Tibetan Independence

OW0111162589 Taipei CNA in English
1605 GMT 1 Nov 89

[Text] Taipei, Nov. 1 (CNA)—The Executive Yuan of the Republic of China said recently it will by all means oppose Tibetan independence. The Tibetan issue has provoked new interest here following the Dalai Lama's selection as Nobel Peace Prize winner.

In a written reply to Legislator Wu Shu-chen's interpellation, the Yuan said it would under no circumstances deal with the "illegal" Tibetan exile organization.

The organization claims to be Tibet's government-in-exile and to have its own constitution; but it is not recognized by the international community, the Yuan argued.

Besides, it added, the organization is controlled by "a few ambitious people" and even the Dalai Lama has tried to give up his leadership in the organization.

The Yuan's reply said that the government has done everything it can to help Tibetans living outside of Mainland China. Currently 32 Tibetan communities or groups receive government assistance aimed at improving their education and economic lives, it noted.

Government policy toward Tibet is based on the Constitution, which dictates equality among all races. The general needs of the Tibetan people have been considered in the making of the Tibet policy, the Executive Yuan said.

It stressed that it will never agree to attempts by "those ambitious few" in the exile organization to "divide

national solidarity." The Yuan also said it "welcomes the visit at any moment of the Dalai Lama."

The Dalai Lama has not been able to visit the Republic of China on Taiwan because Communist China has put "huge pressure" on him, the Yuan said.

It also blames "blocking efforts by some imperialist remnants" and a division of opinion within the Tibetan exile organization for the Dalai Lama's failure to visit Taiwan.

President at Ceremony Honoring Chiang Kai-shek

OW3110201189 Taipei CNA in English
1520 GMT 31 Oct 89

[Text] Taipei, Oct. 31 (CNA)—President Li Teng-hui presided over a ceremony Tuesday marking the 103rd anniversary of the birth of the late President Chiang Kai-shek, who led the Republic of China [ROC] for decades before he died in April 1975.

More than 400 people, including members of the Chiang family, central and local government officials, parliamentarians, and leaders from Chinese communities abroad, attended the ceremony at the Presidential Office.

Premier Li Huan reported on his personal understanding of the late president's counsel on administrative work.

Representatives from Chinese communities throughout the world also gathered at the Chiang Kai-shek Memorial Hall in downtown Taipei Tuesday to commemorate the Chinese national leader.

Tseng Kwang-shun, chairman of the Overseas Chinese Affairs Commission, reminded the people present of Chiang's contribution to the country.

Tseng also expressed deep gratitude to the Overseas Chinese for their unswerving support of the Republic of China during past decades.

He urged all Overseas Chinese to follow the late national leader's last will and testament by assisting the ROC Government to recover Mainland China.

In Taipei City, over 2,000 people from all walks of life gathered at the city hall to pay respect to the memory of the late leader.

The Taiwan Provincial Government also held a meeting to mark the occasion, with some 1,600 people attending.

Similar rallies were also held throughout Taiwan to mark the anniversary of the late president's birth.

Haitian Group Arrives for Ministerial Meetings*OW0211022589 Taipei CNA in English
1507 GMT 1 Nov 89*

[Text] Taipei, Nov. 1 (CNA)—A Haitian ministerial delegation, led by Minister of Foreign Affairs and Culture Yvon Perrier, arrived in the Republic of China [ROC] Wednesday for the second session of the Sino-Haitian Ministerial Joint Commission.

The major topic to be discussed at the meeting, scheduled to open Thursday, is agricultural cooperation, conference sources said.

In the Haitian delegation are Minister of Public Works, Transport and Communications Franck Paultre and Minister of Planning and External Cooperation Theophile Roche.

Premier Lee Huan received the Haitian delegation in the afternoon, and hosted a dinner party in their honor in the evening.

During the meeting, Lee lauded Haiti for successfully developing its economy and thus stopping communist expansion. The key to this achievement, Lee noted, was the Caribbean country's promotion of education.

Minister Perrier said the Republic of Haiti admired the ROC's development, and hopes that the ROC would share its experience and technology with his country.

Liberian House Representative Arrives for Tour*OW0211022289 Taipei CNA in English
1555 GMT 1 Nov 89*

[Text] Taipei, Nov. 1 (CNA)—J. Samuel K. Smith, chairman of the Foreign Relations Committee of Liberia's House of Representatives, arrived in the Republic of China [ROC] Wednesday afternoon for a week-long visit.

Smith told the press upon his arrival that the resumption of diplomatic relations between his country and the ROC was "encouraging news."

The Liberian House representative, who is visiting the ROC for the first time, praised the nation's economic achievements. He also thanked the ROC Government for assisting Liberia with agricultural technology, personnel and machinery.

Smith said he would do his best to strengthen the trade and economic ties between the two nations.

While in Taiwan, the Liberian dignitary will call on ROC Government officials and visit political and economic institutions.

Dissident Mainland Couple Seeks Asylum*HK0211021289 Hong Kong SOUTH CHINA
MORNING POST in English 2 Nov 89 p 10*

[By Daniel Kwan]

[Text] A Chinese couple who claimed they had participated in the pro-democracy movement sneaked into Taiwan on Monday, two days after a Taiwan businessman had smuggled three other Chinese pro-democracy activists into the island.

Police in Wuchi, about 160 kilometres southwest of Taipei, said the two arrived in central Taiwan by motorboat after sailing for eight days from the coastal Chinese province of Fujian.

The couple, identified as Zhang Guozhong, 27, and Lang Ying, 22, told police they worked in a state-run textile company in Tianjin and wanted to stay in Taiwan.

The two said they were wanted by Beijing authorities because of their active participation in student-led protests at Tiananmen Square that were crushed in June, police added.

Just like the other three activists, they were being held as illegal immigrants in the Taiwan Garrison Command's detention centre in central Taiwan pending investigation, police said.

A spokesman of the Free China Relief Association (FCRA) in Taipei said yesterday that the couple were being investigated by the police and they would be granted asylum if they could prove their involvement in the pro-democracy movement.

He said the FCRA has received about 100 applications from people in Hong Kong seeking asylum from the Taiwan Government claiming that they participated in the pro-democracy movement.

"The Bureau of Entry and Exit has so far approved about 10 of the applications, but the rest are still pending because of inadequate information," he said.

Hong Kong

Expelled Law Drafters Denounce Beijing

HK0211014589 Hong Kong SOUTH CHINA
MORNING POST in English 2 Nov 89

[By Chris Yeung]

[Text] Expelled Basic Law drafters, Mr Szeto Wah and Mr Martin Lee Chu-ming, yesterday denounced the decision of China to bar them from future meetings as unconstitutional, and warned further crackdown against dissent would affect public confidence.

The two leading liberals say that as Chinese nationals, they are entitled to the constitutional right to criticise the wrong-doings of the Chinese Government.

They insisted there was no case for them to have to kowtow and apologise to Beijing for what they have said and done about events in China during and after June 4.

Mr Lee and Mr Szeto demanded a reasonable explanation from the Standing Committee of the Chinese National People's Congress (NPC) for their expulsion, which they hoped signalled the end of retaliation against local supporters for democracy on the mainland.

Mr Lee said the expulsion might be the beginning of a crackdown against local dissent, adding he "sincerely hoped and appealed that if China wanted to punish us, let's stop with us".

Any further action will only worsen public confidence as the transfer of sovereignty approached.

In his speech on the Governor's policy speech during a Legislative Council session, Mr Lee attacked the Chinese Government for putting pressure on the Government to dissolve the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China, of which he is a vice-chairman.

He claimed the move was an interference in the internal affairs of the territory and was in clear breach of the Sino-British Joint Declaration.

In an expected move on Tuesday, the NPC's standing body chaired by Mr Wan Li, endorsed a resolution barring the pair from participating in the drafting committee "until they abandon their antagonistic stand against the Chinese Government and their attempt to nullify the Sino-British Joint Declaration on Hong Kong".

Mr Lee said after a Legislative Council session: "The message was very clear. If we want to come, we have to say sorry first. We have not done anything wrong. There's nothing for us to say sorry."

"If they do not notify me, we will not try to go because if we were to go they would lock me out. There's a clear possibility that I will be arrested, though not a great one," he said.

Mr Szeto added he did not worry about their personal safety.

"I've prepared for the worst. There's still eight years to go. The world keeps changing and so does China," he said.

"We just reflected local views over June 4.

"What's the point in participating in the discussion in the drafting body if we repudiate our stance over June 4, because we will then fail to reflect public views."

The two legislators urged drafters remaining in the process to unite to veto any provisions that are not acceptable to the people of Hong Kong for a good Basic Law.

Both indicated they would continue to fulfil their responsibilities for drafters and give views on the mini-constitution.

In a joint statement, they insisted they were acting within the boundary of the Chinese Constitution.

They dismissed allegations their move was "subversive and counter-revolutionary as well as being hostile" towards the Chinese Government.

Both referred to Article 41 that says Chinese citizens have the right to criticise and make suggestions to any state organ or functionary.

Mr Lee said: "It seems the Chinese are saying everyone else is wrong and they are the only ones who are right."

He said his and Mr Szeto's stand over the June 4 massacre had never changed and believed their views were shared by most Hong Kong residents, Chinese people and foreign governments.

"Why are we being charged and punished over the exercise of our constitutional right to criticise and make suggestions to the Chinese Government?

"The NPC Standing Committee's decision has dealt a blow to the protection of civic rights and has contravened Article 41.

"The allegations made by the standing body were unfounded and even non-existent. We regret their decision. We demand a reasonable explanation from the NPC Standing Committee," Mr Lee said.

He added it would be up to other drafters to determine if their expulsion would affect the drafting work.

However, lawyer and drafter, Miss Liu Yiu-chu said: "No one is indispensable. If they did speak for the public, their views will be contained in the report to be compiled by the Consultative Committee."

She said the NPC resolution was lenient and has already taken into account local confidence, insisting no governments would allow its appointees to call for sanctions against their countries.

In his speech, Mr Lee noted the fact that Beijing "appears to have given up all efforts to win back confidence of Hong Kong people and has resorted to intimidation".

"But intimidation begets fear, not confidence."

Quoting a recent poll conducted by the SOUTH CHINA MORNING POST that found 69 percent of respondents do not believe the Basic Law will make sure the "one country, two systems" promise will be met, Mr Lee warned: "The tighter the control, the greater the fear."

"It is perhaps ironical that the Chinese leaders seem to be more afraid of us than we are of them," he said.

What the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China had done was to exercise freedom of expression, Mr Lee said, adding that they would not stop to please China at the price of freedom of speech.

Freedom and democracy are the cornerstone to maintaining the social stability and economic prosperity of the territory, he said.

He maintained China's attack on the Alliance and the handling of the case of Chinese swimmer Yang Yang had only taught the public "China will make, keep or break an agreement as she pleases".

Mr Lee also attacked the bicameral model which he says was to make sure legislators who are democratically elected by universal suffrage would always be outvoted.

"There are few precedents. But there is a similar system in South Africa which has a tricameral system which is adopted in order to ensure the white minority will be able to control the majority."

He claimed the acceptance of the two-chamber system would be in breach of the spirit of the Joint Declaration which requires the executive branch to be accountable to the legislature.

"The once beautiful dream of many people in Hong Kong of 'one country, two systems', with Hong Kong people ruling Hong Kong with a high degree of autonomy will soon become a nightmare of 'one country, no system' and Hong Kong puppets ruling Hong Kong with a high degree of control," Mr Lee said.

Mr Szeto said in his address he has no illusion over the Basic Law to be promulgated next spring.

"All I wish to say is that we should continue striving, undaunted by repeated setbacks."

Councillors Revise Stand on PLA Garrison

HK0111023389 Hong Kong HONGKONG STANDARD
in English 1 Nov 89 p 6

[By Yue Sin-yui]

[Text] Executive and Legislative Councillors have toned down their objection to the stationing of People's Liberation Army troops in Hong Kong after 1997.

In a revised 39-page report to Basic Law drafters and consultative committee members, Omelco [Office of Members of the Executive and Legislative Councils] has deleted its original suggestion that "the garrison could be stationed in Shenzhen or other parts of Guangdong, rather than within Hong Kong without detriment to external security".

The deletion was made at an Omelco in-house meeting on October 20.

Omelco Constitutional Development Panel convener Mr Andrew Wong explained: "Though the stationing of troops will make some people feel uneasy we are sure that the Chinese government will take this into consideration, so we deleted that part of our comments."

The Omelco report now stresses what is stated in the Sino-British Joint Declaration: public order is an internal affair.

"The Joint Declaration has stipulated that the maintenance of public order in the Hong Kong Special Administrative Region [HKSAR] 'shall be the responsibility of the HKSAR Government', and that the military forces sent by the Central People's Government to be stationed in the HKSAR 'for the purpose of defence' shall not interfere in the internal affairs of the HKSAR," the report says.

"Members consider that it should be explicitly stated in Article 14 that it is for the Chief Executive alone to declare whether HKSAR is in a state of internal turmoil and to decide what course of action to take."

Mr Wong said that if the Joint Declaration was adhered to, there should be enough safeguards.

Advance copies of the Omelco report were sent to individual mainland drafters and to the Basic Law Drafting Committee several days ago.

Local drafters, Basic Law consultative members and Legislative Councillors received the final version of the report only yesterday.

Mr Wong said Omelco wanted mainland drafters to read the report before it was leaked and published in newspapers.

"We want the drafters to read the original copies and not be biased by interpretative reports," he said.

Some 10,000 copies of the report will be available to the public.

The association also held that the entrenchment of human rights and the protection of the integrity of the SAR's legal system were absolutely essential to the success of the Basic Law.

"However, without a sound political structure or a system of government that is truly democratic, open and accountable to the people, the institutional checks and balances are likely to break down, and the rule of law itself would be seriously eroded.

"This must not happen if Hong Kong is to be the valuable asset to China's modernisation as it undoubtedly now is and hopes to remain in the years ahead," the submission concluded.

Agreements, Differences on Compromise Plan Noted
HK0111024789 Hong Kong HONGKONG STANDARD in English 1 Nov 89 p 1

[By Ma Miu-wah]

[Text] Three major political camps yesterday successfully concluded their month-long compromise exercise with a joint proposal they named the "4-4-2 new compromise model".

However, they failed to reach agreement on three major points in the post-1997 political blueprint.

With the differences recorded as footnotes, the "4-4-2" model was one of the last submissions sent to the Basic Law Consultative Committee (BLCC) yesterday, the last day of the consultation exercise.

Marking the end of almost seven months of consultation, the Group of 190 liberals, the Group of 89 businessmen and professionals, and the seven-group moderates yesterday called a press conference to release their joint statement.

They said they hoped the model could serve as a reference for the Basic Law drafters. But they saw only a dim chance for its eventual acceptance.

Nevertheless they will promote the model during a November exchange session between the BLCC members and the drafters.

Acknowledging that there were still differences, the convener of the Group of 89, Mr Vincent Lo Hong-shui, said: "It can't be said to be a comprehensive model. The fact is that there are differences and we do acknowledge these disagreements.

"But it reflects the outstanding performance of the major political camps in the past few years, a product of pragmatism and mutual compromise.

"It can serve as a good example for cross-sector cooperation in the future," he added.

Among the 12 points the three groups jointly proposed are:

- The first legislature should be made up of 40 percent directly elected members, 40 percent chosen by functional constituencies and 20 percent selected by a grand electoral college.
- Directly elected members should increase to 60 percent in the second legislature, with the remaining 40 percent from functional constituency elections.
- Members of the second legislature should decide whether the third legislature is to be elected by universal suffrage.
- The legislature should eventually be entirely elected by universal suffrage.
- The first two chief executives should be elected by a grand electoral college, half of which comes from functional constituencies and half from members of Councils and District Boards.
- Candidates should have the support of at least a tenth of the grand electoral college for nomination.
- The third chief executive should be nominated by the grand electoral college and elected by universal suffrage.

However, footnotes record that the liberals and the moderates disagree on the following matters:

- Instead of a 60-40 split in the second legislature, the moderates say there should be a 50-50 balance between direct elected members and those from functional constituencies.
- The liberals want universal suffrage to be set for the third term of the legislature, or the year 2005.
- The moderates say that if there is 60 percent direct elections for the second legislature, any constitutional amendment must need a three-quarters majority.
- The liberals say District Board and Council members of the grand electoral college must not be appointed members.

Spokesmen for the moderates and the liberals, Mr Michael Luk Yan-lung and Mr Yeung Sum, said they could not surrender their principles just to reach a consensus.

The moderates and the liberals endorsed the "4-4-2" model in meetings two days ago.

January-September Tourism Declines

OW0111143289 Beijing XINHUA in English 6902 GMT 1 Nov 89

[Text] Hong Kong, November 1 (XINHUA)—Hong Kong recorded a 1.6 percent drop in the number of tourist arrivals in the January to September period this year, the first cumulative drop in the past 18 years.

The latest report of the Hong Kong Tourist Association said that the month of September this year saw a 17.1 percent drop in arrivals pulling down the cumulative total by 1.6 percent for the first nine months this year to 3.98 million.

Bar Association Presses for Territory's Autonomy
HK0111021389 Hong Kong HONGKONG STANDARD
in English 1 Nov 89 p 6

[Text] There will be widespread discontent and disillusionment in Hong Kong if China disregards public opinion and tries to impose its own political model here, the Bar Association said yesterday.

The association's warning was contained in a 14-page submission on the second draft of the Basic Law handed in yesterday, the last day of the consultation period.

The submission said that those who would be most affected if China were to force its will were, "the very people that Hong Kong can ill afford to lose."

While acknowledging that the second draft was generally a "significant improvement" over the first, the association said it would not secure Hong Kong a high degree of political autonomy when it becomes a Special Administrative Region (SAR).

"The Cha-Cha proposals embodied in the draft are a travesty of the promise of Hong Kong people administering Hong Kong," the submission said.

The association, while advocating a faster pace of democratic development, endorsed the Omelco [Office of Members of Executive and Legislative Council] model because it came closest to its own suggestion that the Chief Executive should be elected and at least half of the legislature should be directly elected in 1997.

The Omelco model, it added, was a "broad-based compromise which must not be dismissed by the drafters as British-inspired."

The submission also dealt with provisions relating to:

- Non-interference between China and Hong Kong.
- The failure to secure the legal autonomy promised in the Joint Declaration.
- Rights and freedoms.

On non-interference, the association said: "If there is going to be 'one country,' the SAR cannot be used as a base for subversion of the Central People's Government.

"Therefore it is perfectly reasonable to have a provision such as Article 23 which provides that the SAR shall on its own enact laws to prohibit acts of treason, secession, etc."

The submission said it would be "quite unnecessary and wrong" to introduce vague and non-legal concepts, such as "interference in the mainland's socialist system" or "involvement in the internal politics of the mainland," in the Basic Law.

Such concepts would not sit well with the concept of "one country" and the fact that Hong Kong people would be elected as deputies to the National People's Congress.

This was in reference to press reports that mainland drafters were planning to insert a provision in the Basic Law prohibiting such concepts so that "the well water should not interfere with river water."

The association also said that Article 22 should be modified to prevent the Central People's Government from interfering in the administration of the SAR.

The article presently only prohibits interference by departments "under" the government.

The association had no objections to amending Article 22 to prevent the SAR from interfering in the affairs administered by mainland provinces, autonomous regions and municipalities directly under the government.

The association held that the second draft had failed to secure the legal autonomy promised for the SAR in the Joint Declaration.

It recommended that the Law should:

- Clearly separate the legal functions from the political tasks of the proposed committee for the Basic Law as a first step towards setting up a constitutional court.
- Make it clear that the Standing Committee of the NPC will not issue general interpretations of provisions relating to matters internal to the SAR.
- Delete the section in Article 159 which allows the NPC to declare as void any existing laws in force at the time of the formation of the SAR which it considers to be inconsistent with the Basic Law.

Article 159 now reads: Upon the establishment of the Hong Kong SAR the laws previously in force in Hong Kong shall be adopted as laws in the region except for those which the Standing Committee of the NPC declares to be inconsistent with this law.

- Empower the Standing Committee of the NPC to declare a state of emergency in the SAR in peace time only when the SAR government is totally incapacitated from acting.
- Increase the safeguards on the jurisdiction of the SAR courts by defining "acts of state" and "facts of state" in Article 18 in accordance with common law concepts.

On rights and freedoms, the association singled out two "important flaws in Chapter Three."

First, it said that Article 25 merely referred to equality before the law but failed to mention the equal protection of the law. It recommended that the article be amended to include the "nondiscrimination principle based on equal protection of the law."

Secondly it said that Article 39 had been drafted in vague terms. It urged the drafters to make it clear that the article provides that any laws restricting the rights and freedoms of Hong Kong residents must not contravene the United Nations covenants on human rights; and that if they do contravene them, are void.

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